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Appraisal Subcommittee
Federal Financial Institutions Examination Council

June 15, 2017

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

RE: ASC Compliance Review of District of Columbia's Appraiser Regulatory Program

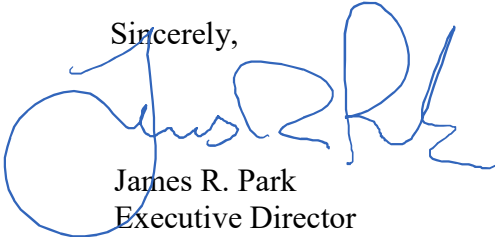
Dear Mr. Cooks:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the District of Columbia's appraiser regulatory program (Program) on April 18-20, 2017, 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." An area of concern that was identified is being addressed by the Program. District of Columbia will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) is attached.

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

cc: Ms. Tamora Papas, Chair
Mr. Leon Lewis, Program Liaison
Ms. Patrice Richardson, Board Administrator

ASC Finding Descriptions

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

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

¹ 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: June 15, 2017

District of Columbia (DC) Appraiser Regulatory Program (State)			
DC Board of Real Estate Appraisers (Board) / Decision Making	PM: J. Tidwell	ASC Compliance Review Date: April 18-20, 2017	Review Period: March 2015 to April 2017
Umbrella Agency: Department of Consumer and Regulatory Affairs		Number of State Credentialed Appraisers on National Registry: 727	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				
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None
Temporary Practice:	X			No compliance issues noted.	N/A	None	None
National Registry:	X			No compliance issues noted.	N/A	None	None
Application Process:			X	No compliance issues noted.	N/A	None	None
States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought, whether for initial credentialing, renewal, upgrade or reinstatement. (12 U.S.C. § 3347; Policy Statement 4.)				The State issued 2 Trainee Appraiser credentials after January 1, 2015, without verifying the applicants had completed the AQB Criteria required course specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers.	On June 13, 2017, the State provided documentation the 2 trainees completed the missing courses on May 23, 2017, and June 5, 2017, respectively. The State reported oversight will be performed to ensure all courses have been completed prior to licensure.	None	ASC staff will pay particular attention to this area for compliance with Title XI, ASC Policy Statement 4 and AQB Criteria during the next Review.
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:	X			No compliance issues noted.	N/A	None	None