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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

March 18, 2009

David Stefan, President  
Commission of Appraisers of Real Estate  
c/o Real Estate Division  
Department of Business and Industry  
788 Fairview Drive, Suite 200  
Carson City, NV 89701-5453

Dear Mr. Stefan:

Thank you for the February 10, 2009 response to the Appraisal Subcommittee's (ASC) December 22, 2008 Field Review letter regarding the June 16-18, 2008 Field Review of Nevada's real estate appraiser regulatory program (Program). The response appropriately addresses the areas of concern outlined in the Field Review letter.

**1. The complaint investigation and resolution process of the Department of Business and Industry, Real Estate Division (Division) did not comply with Title XI and ASC Policy Statement 10E.**

Nevada's complaint, investigation, and resolution processes do not comply with Title XI and ASC Policy Statement 10E because not all complaints are investigated and resolved in a timely manner. The ASC is, however, encouraged by the state's actions to remedy this concern by: (1) filling the Investigator position that has been vacant; and (2) if necessary, appointing the Appraisal Advisory Review Committee to review complaints and make recommendations. In addition, the reported resolution of 56 aged complaints demonstrates the Division's dedication to improving the program. Given these improvements, a significant decrease in the number of complaints older than one year is expected at the next Field Review.

**2. Nevada's statute regarding reinstatement of an inactive credential does not conform to the Appraiser Qualifications Board (AQB) criteria.**

Nevada's statute, NRS 645C.430, limits the total number of continuing education hours the Commission may require of an applicant returning from inactive status to 60 hours, regardless of the number of years the applicant is inactive. This provision does not conform to the May 2006 interpretation of the AQB, which requires that inactive credential holders must complete at least 14 hours of continuing education for each year of inactive status prior to reactivating their credential.

The response states that the Division is working to amend the above-referenced statute and that it expects the appropriate change to be enacted during the 2011 legislative session. The ASC is mindful that statutory amendments can take time and appreciates the expeditious action taken by the Division. Since Division regulations already conform to

the AQB criteria and credentials are not being reactivated without the requisite continuing education, the ASC believes this action to be appropriate.

When the legislative proposal is drafted and filed, please provide a copy to Nevada's Regulatory Policy Manager, Neal Fenochietti at [Neal@asc.gov](mailto:Neal@asc.gov).

**3. Regulatory amendments should be made for correction and clarification.**

During the Field Review, several regulations were identified as conflicting with the AQB criteria. Specifically, the regulations did not reference the National USPAP course or National USPAP Update course.

The ASC recognizes and appreciates the expeditious action taken to resolve this issue. The ASC thanks the Division for adopting the requisite changes and ensuring that Division regulations do not conflict with the AQB criteria.

Additionally the ASC has received the first quarterly complaint log submission including the quarter through January, 2009. Therefore, the next submission is expected the first week of May, and to continue quarterly thereafter. Please note that Nevada has been assigned a new Regulatory Policy Manager (Neal Fenochietti), and the complaint log submissions should now be sent to [neal@asc.gov](mailto:neal@asc.gov).

Please be advised that the Field Review letter, the response, and any other previous correspondence between the ASC and the Division regarding the Field Review are now publicly available on the ASC web site. Please contact Neal Fenochietti at 202-834-0485 if you have further questions.

Sincerely,

Vicki Ledbetter  
Acting Executive Director

cc: Brenda Kindred-Kipling, Appraisal Officer  
Gail Anderson, Administrator