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Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 9, 2008

Mr. Jerome Farrow, Chair
District of Columbia Board of Real Estate Appraisers
Department of Consumer and Regulatory Affairs
941 North Capitol Street, N.E., Room 7200
Washington, DC 20002

Dear Mr. Farrow:

Thank you for your July 2nd response to our May 2, 2008 field review letter to the District of Columbia ("District") Board of Appraisers ("Board"). Our May 2nd letter addressed three concerns regarding the District's appraiser regulatory program ("Program").

- **The District's complaint investigation and resolution process did not comply with Title XI and ASC Policy Statement 10 E.**

Based on your response and the complaint log you provided to Jenny Tidwell, it appears that the District continues to make progress in this area. At the time of our March 2008 field review, the District had 29 complaints outstanding and 26 had been in progress for more than one year. It appears that the number of outstanding complaints has decreased from 29 to 18 and all 18 have been in progress for more than one year.

We look forward to receiving your quarterly complaint logs and will continue using them to track your progress toward resolving this concern. We plan our next field review in early 2009, and expect to see significant improvement in reducing the backlog of outstanding complaint cases.

- **The District's credential renewal regulations and procedures did not conform to AQB continuing education criteria.**

Based on your response and further contact between Jenny Tidwell of our office and Leon Lewis, Board Liaison, it appears that the District is taking the required steps to cure the problem. During our March 2008 review, Pearson Vue prepared a report identifying all licensed or certified appraisers who received their initial credential during the renewal cycle. That query identified 43 appraisers. Pearson Vue reviewed the applications of those 43 appraisers and found all to be in compliance with AQB continuing education criteria.

We understand that the Board has ceased renewing applicants unless they have met the required continuing education in conformance with AQB criteria. Further, Pearson Vue sent letters to all licensees that did not submit continuing education in conformance with AQB criteria. Each licensee was given five business days from the date of the letter to provide the appropriate documentation or be placed on inactive status on the National Registry. As a result of those letters, the District placed four appraisers on inactive status on the National Registry.

Finally, you have informed us that the Board is in the process of amending its rules to conform to the AQB criteria interpretation regarding continuing education for partial years. Please provide us a copy of the final amended rule when it becomes effective.

- **The District did not submit disciplinary action data to the ASC for inclusion in the National Registry in accordance with ASC Policy Statement 9.**

Based on your response and further contact between Jenny Tidwell of our office and Leon Lewis, Board Liaison, it appears that the District has taken the required steps to cure this problem. We appreciate your responsiveness and cooperation in resolving this issue.

Our field review letter, your response, and any other previous correspondence between us regarding the field review are now publicly available on our Web site.

Please contact us if you have any questions.

Sincerely,



Vicki Ledbetter
Acting Executive Director

cc: Clifford Cooks, Program Manager
Patsy Lockett, Program Officer
Leon Lewis, Program Liaison