

DLLR

STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION

PARRIS N. GLENDENING, Governor
KATHLEEN KENNEDY TOWNSEND, Lt. Governor
JOHN P. O'CONNOR, Secretary
Division of Occupational & Professional Licensing
DLLR Home Page • <http://www.dllr.state.md.us/dllr>

June 27, 2000

Mr. Thomas E. Watson, Jr., Chairman
Appraisal Subcommittee
2000 K Street, NW, Suite 310
Washington, DC 20006

Re: Subcommittee Report on Review of the Maryland Commission of Real Estate Appraisers

Dear Mr. Watson:

On behalf of the Maryland Commission of Real Estate Appraisers (Commission), I would like to thank you for the opportunity to respond to the above captioned report. The Commission was very pleased that all areas inspected except for one were found to meet or exceed the standards that the Subcommittee has established pursuant to FIRREA.

The Commission concurs with the Subcommittee's concern regarding the time being taken to handle complaints from receipt to completion. For the past 12 months the Commission has been working with the Department of Labor, Licensing and Regulation (DLLR) to find different solutions in order to improve the time lines related to complaint handling. An example of the Commission's concern is the recent enactment of a regulation, that allows for the formation of a Volunteer Expert Review Roster (copy of the regulation is enclosed). The purpose of this new group is to provide volunteer personnel to assist with complaint handling. The volunteer group would assist by reviewing, investigating, reporting and testifying at formal hearings on the many complaints that are currently being received.

In your report, you indicated that the Commission meets on a bi-monthly basis. The Maryland law under which the Commission operates requires only one meeting each calendar quarter. The Commission has exceeded the minimum requirement by fifty percent. As another method to improve the time lines for the handling of complaints, the Complaint Committee has agreed to meet via telephone conference call on the off months to review complaints. This is anticipated to begin in August.

DLLR anticipates receipt of additional funding for expert witness and/or investigation assistance in the fiscal year 2001 budget beginning in July 2000. A larger request for funding has been made as a part of the FY 2002 budget process. We are optimistic that such funding will be available on July 1, 2001.



Thomas E. Watson, Jr.
June 27, 2000
Page 2

In order to address your concern regarding delay in disciplinary proceedings associated with the Office of Administrative Hearings, the Commission will emphasize the use of consent agreements where appropriate. Further the Commission will consider the assumption of hearing responsibilities for complaints, which are evaluated to be less complex and time consuming, and therefore within the capability of the Commission to directly handle.

DLLR is aware of the increasing number of complaints being received by the Commission and the newly enacted legislation relating to tile new trainee category of appraiser license. It has agreed to assist in handling the increased workload in these areas. DLLR will have "Electronic Licensing" available for persons seeking the new trainee category of license. Applicants will be able to file for the license over the Internet in just minutes, thus saving both time and personnel. In addition there is a state/federal taskforce that has joined together to investigate and to take action against those persons who are involved with what you have referred to as real estate "flipping" cases. The record created by these investigations may facilitate the handling of related regulatory cases that come before the Commission.

We wish to thank both you and your staff for constructive observations. We are also pleased that your staff found during their visit, that overall our Commission's operation was meeting all of the Subcommittee's guidelines. We are also pleased that our complaint handling, even though currently lengthy, demonstrated fair and reasonable enforcement actions.

Sincerely,



Gregory J. Glover
Chairman
Commission of Real Estate Appraisers

Enclosure

cc: John P. O'Connor, Secretary
Mark Feinroth, Assistant Secretary
Harry Loleas, Associate Commissioner
Charles P. Kazlo, Executive Director