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Appraisal Subcommittee

Federal Financial Institutions Examination Council

April 4, 2001

Robert Selman, Administrator
South Carolina Real Estate Appraisers Board
P.O. Box 11847
Columbia, SC 29211-1847

Dear Mr. Selman:

Thank you for your cooperation and your staff's assistance in the January 24-25, 2001 Appraisal Subcommittee ("ASC") review of the South Carolina real estate appraiser regulatory program ("Program"). We are pleased to inform you that, based on our review, your Program functions effectively and, in most respects, in a manner consistent with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"). However, two areas need your attention.

- **South Carolina does not always collect the appropriate National Registry fee.**

In some situations, the Department of Labor, Licensing, and Regulation ("Department") does not collect the appropriate National Registry fee. South Carolina's appraiser credentials expire on June 30th each year. However, new credentials issued in April, May, and June expire June 30th of the following year. For these individuals, the initial licensing periods are over 12 months. Under Title XI and ASC Policy Statement 8, National Registry fees must be collected for each year or portion of a year. Therefore, licensing periods of 13-23 months require \$50 in National Registry fees. Department staff was not aware of this requirement. After discussion, Department staff agreed to collect National Registry fees in accordance with ASC Policy Statement 8.

- **South Carolina needs to continue improving the complaint investigation and resolution process.**

We are pleased the Department has hired two investigators since our last review, and we recognize these additional resources helped reduce complaint investigation and resolution times. At the time of our review, South Carolina had 54 open complaints, with 18 over one year old. The Department and Board need to focus their efforts to resolve these long outstanding complaints. To enable us to monitor your progress, please provide us a copy of your complaint log on a quarterly basis.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day response period, whichever is earlier, this letter, your response and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

If you have any questions, please contact us.

Sincerely,

Thomas E. Watson, Jr.
Chairman

cc: Herbert Sass, Chairman