



South Carolina Department of Labor, Licensing and Regulation

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South Carolina Real Estate Appraisers Board

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May 14, 2004

Ms. Virginia M. Gibbs
Chairman
Appraisal Subcommittee
2000 K Street NW, Suite 310
Washington, DC 20006

MAY 17

Re: SC Appraisers Board Compliance Review Response

Dear Ms. Gibbs:

The Appraisers Board would like to take this opportunity to respond to your correspondence of April 20, 2004, which was based on the February 11-12, 2004 review by Subcommittee Staff of the appraiser program in South Carolina.

We are pleased with your confirmation that the South Carolina appraiser program is operating consistently with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

You have pointed out in your letter certain areas that the Subcommittee felt needed attention and we have addressed those issues in the order you presented them.

The Board's rules and regulations authorize continuing education carryover, which is inconsistent with Appraisal Qualifications Board ("AQB") criteria.

Effective July 1, 2004, carryover credits to future continuing education cycles will not be permitted.

The Board's Reclassification Application misrepresents the amount of the National Registry fee.

The Appraiser Board's reclassification application has been amended to reflect the National Registry fee of \$25.

South Carolina does not always conform to AQB Criteria when upgrading appraiser credentials from the Apprentice classification to the Certified classification.

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The Board has taken corrective action by notifying certified appraiser examinees that their examination credentials are valid for 24 months. We feel that the recommendations you have made concerning the two certified appraisers who appear to have exceeded the 24-month examination validity period is excessive. South Carolina has taken the necessary steps to correct this discrepancy with future certified appraiser applicants and does not feel that downgrading these two appraisers is appropriate when they were following the instructions of the State. This is a misunderstanding by the Appraisers Board, not these two certified appraisers.

The Board has not incorporated the 2003 AQB Criteria changes into its regulations.

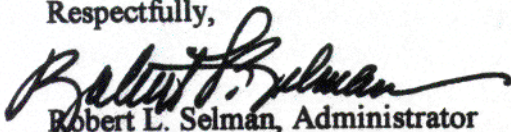
The South Carolina Real Estate Appraisers Board plans on amending the Appraisers Act to conform to the 2003 AQB Criteria. However, the Appraisal Subcommittee needs to understand that the State cannot continually go to the legislature on a yearly basis to modify or incorporate federal appraisal criteria changes.

Section 40-60-250 of the South Carolina Real Estate Appraiser License and Certification Act authorizes the Board to waive or modify any experience, examination, or education requirements established for appraisers to bring those requirements into conformity with federal financial institutions regulatory agencies, as defined in Title X1.

In practice, the Appraisers Board adheres to the requisite criteria changes as outlined in your letter and witnessed by the Subcommittee's review team.

The South Carolina Appraisers Board appreciates the work of the Appraisal Subcommittee and looks forward to receiving your reply.

Respectfully,



**Robert L. Selman, Administrator
South Carolina Real Estate Appraisers Board**