

Table of Contents

Seminar Description	v
----------------------------------	----------

Schedule	ix
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SECTION 1

Part 1. An Overview of the Appraiser Regulatory Structure

Preview Part 1.....	1
Understanding Key Terms.....	2
In the Beginning... The Path to the Regulation of Real Estate Appraisers	5
Appraisers in the Real World—No. 1	7
Title XI of FIRREA.....	9
Amendments to Title XI of FIRREA by the Dodd-Frank Act of 2010	18
Conclusion to Part 1	20
Review.....	21

Part 2. Understanding the Role of the State Appraiser Regulatory Agencies

Preview Part 2.....	23
Understanding Key Terms.....	24
The Purpose and Structure of a State Appraiser Regulatory Agency	25
Appraisers in the Real World—No. 2	38
Conclusion to Part 2	42
Review.....	43

Part 3. Complaints, Investigations, and Investigators

Preview Part 3.....	45
Understanding Key Terms.....	45
An Overview of the Enforcement Process.....	47
Step 1: Complaint Intake and Initial Processing	51
Appraisers in the Real World—No. 3	54
Appraisers in the Real World—No. 4	56
Appraisers in the Real World—No. 5	56
Step 2: Complaint Assessment	57
Appraisers in the Real World—No. 6	58
Step 3: Investigation	63
Conclusion to Part 3	68
Review.....	71

Part 4. Settlements, Disciplinary Actions, Hearings, and Adjudication

Preview Part 4.....	73
Understanding Key Terms.....	74
Step 4: Review	75
Appraisers in the Real World—No. 7	85
Step 5: Formal and Informal Hearings	87
Step 6: Final Order	89
Step 7: Compliance	89
Judging a State’s Enforcement Process: More about Policy Statement 7	90
Conclusion to Part 4.....	90
Review.....	91

APPENDIXES

Appendix A—ASC Policy Statements (March 2018)

Appendix B—Key Characteristics of the Enforcement Process for the 55 States (Jurisdictions)

Appendix C—A Sampling of Disciplinary Action Matrixes

- Voluntary Disciplinary Action Matrix (TAF)
- Arkansas Disciplinary Matrix
- Oregon Disciplinary Matrix
- Texas Disciplinary Process
- Oklahoma Disciplinary Matrix
- Florida Disciplinary Matrix

Appendix D—Advice from LIA, the Preferred E&O Provider of the Appraisal Institute

- Effective Response Letter to a Request from a State Regulator
- Disciplinary Complaints & E&O Insurance (Bullet Points)
- Disciplinary Complaints and Your E&O Insurance (Article)
- The Appraisal Workfile: Your Best Defense Tool (Claim Alert)

Glossary

Seminar Description

This seminar, *Ignorance Isn't Bliss: Understanding an Investigation by a State Appraiser Regulatory Board or Agency*, lets participants peek behind the regulatory curtain surrounding complaints filed against real estate appraisers and the resulting investigations completed by State regulators. Participants will become familiar with the origins, processing, due process requirements, statutory limitations, and Federal constraints at play when a State Appraiser Regulatory Board or Agency properly investigates a complaint against a real estate appraiser. Additionally, the material covers the thresholds and mileposts that lead from investigative findings to a potential disciplinary action against an appraiser's credential. Understanding these findings provides participants with a great advantage in resolving such matters. Finally, the seminar outlines the appeal options that are available to professional appraisers for those instances when a genuine disagreement exists as to the regulator's final findings and sanctions.

Although State Appraiser Regulatory Boards and Agencies are charged with the registration and supervision of both individual appraisers and *appraisal management companies* (AMCs), this seminar focuses on the regulatory processes across the States that involve the professional licensing of *appraisers*. This is because the processes have been in place for an extended period and have matured in their implementation. On the other hand, the various regulatory frameworks to oversee the activities of AMCs are, in many cases, still being constructed and refined. This is a consequence of the changes to Title XI of FIRREA, as amended by the Dodd-Frank Act of 2010, which require that the services of an AMC for Federally related transactions may not be used after August 10, 2018, unless the AMC is registered with the State.¹

In a nutshell, the apparatus in the States for the regulation of AMCs is in its infancy and still in flux. As it evolves, the Appraisal Institute may choose to offer education like this seminar that will focus on the regulatory processes and oversight of AMCs provided by the States. In the interim, these AI materials focus on the structure and functioning of State Appraiser Regulatory Agencies.

Overall Objectives for the Seminar

- Recognize distinctions in function and process between an appraiser Board and an appraiser Regulatory Agency.
- Identify events that lead to complaints against real estate appraisers and ways to channel that energy to bring about a better outcome.
- Identify the steps an appraiser may take when notified that a complaint against the appraiser has been received by the regulator.

1. The terms *Title XI of FIRREA*, the *Dodd-Frank Act of 2010*, and *federally related transaction* are defined in Part 1.

- Analyze both the perspective and the due process requirements of the regulator and its investigator when processing and investigating an allegation or complaint.
- Itemize how a State regulator processes a complaint and the possible outcomes along the way—from intake through the response, investigation, findings, and eventual disposition and possible sanctions.
- Discover various appeal options available to an appraiser in the event of an adverse disciplinary finding and sanctions.

Learning Enhancements

The seminar was designed with a variety of elements to enhance your learning experience.

- **Preview.** To give you a taste of what is to come, each Part begins with a Preview page, which includes a brief overview of the content, learning objectives to consider as you move through the material, and learning tips that will assist you in understanding the information presented.
- **Learning Objectives.** Each learning objective covers essential information you need to fully understand the concepts in the seminar. Look them over before the Part begins so that you have a frame of reference as you move through the material. At the end of each Part, reread the objectives. Are you able to do what is stated? If not, this is the time to ask your instructor for help or review the concepts that you do not understand.
- **Discussion Questions (labeled Appraisers in the Real World).** Supplementing the lectures are discussion questions to help you visualize and practice what you are learning.
- **Review.** Each Part concludes with a review, which repeats the learning objectives.
- **Solutions.** Suggested responses to the discussion questions, where applicable, are provided behind the Solutions tab at the back of this handbook.

Classroom Guidelines

To make the seminar a positive experience for everyone attending, please observe the following guidelines:

- 100% attendance is required. No exceptions.
- Limit use of computers and wireless devices to classroom projects.
- Communicate with business associates during break time instead of class time.
- Put away reading materials such as newspapers and books that are not used in class.

- Silence cell phones.
- Use recording devices only if prior permission has been granted.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

General Information

- **Breaks.** There will be two 10-minute breaks during the seminar unless noted otherwise by the seminar sponsor.
- **Attendance sheets** will be distributed during class to verify your attendance.
- **Certificates of completion** will be sent after completion of the seminar, and attendance during the entire seminar is required.

Recommended Prerequisites

None