

March 9, 2023

Brad Swinney
Chair
Appraiser Qualifications Board
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

Re: Proposed Changes to the Real Property Appraiser Qualification Criteria (Criteria)

Dear Chair Swinney:

On behalf of the largest professional association of real estate appraisers, we write to express our support for the Appraiser Qualifications Board's First Exposure Draft on proposed changes to the Criteria relating to valuation bias and fair housing laws and regulations. The First Exposure Draft builds on efforts undertaken by the Appraisal Institute across the country to enact meaningful education requirements in multiple states on valuation bias and fair housing. If adopted by the AQB, real estate appraisers will be subject to the most rigorous nationwide requirements on bias and fair housing training of any industry subject to fair housing laws and regulations. This will be the most direct and effective way to address public concerns about valuation bias.

Specifically, the First Exposure Draft proposes all real property appraisers take a 7-hour seminar on valuation bias and fair housing and ongoing 4-hour continuing education requirements in subsequent license renewal cycles. All credentialed appraisers would be required to complete a 7-hour course by December 31, 2025. The continuing education requirement to complete the 4-hour course as part of each ongoing two-year continuing education cycle would begin January 1, 2026, while the 8-hour course would become part of the required qualifying education for all aspiring appraisers no later than January 1, 2025.

There are two components of the proposed content outline of the 7-hour course we urge the AQB to adopt in the final Criteria. First, California has pre-existing bias and fair housing education requirements for appraisers, and it includes 1-hour of education on cultural competency or sensitivity training. We understand some believe cultural competency training may be outdated in its approach, but we see merit for its inclusion given that it relates directly to disarming potential implicit bias and helping to remove stereotypes. We urge the AQB to include cultural competency in the final content outline to align the national AQB requirements with a bellwether state.

Second, the settlement agreement between the U.S. Department of Justice and the American Institute of Real Estate Appraisers of the National Association of REALTORS® in 1977 is an important historical context to the valuation bias and fair housing topics in appraisal. This agreement resulted in the adoption of anti-bias and discrimination policy statements in appraisal standards, texts, and education materials, as well as expanded recruitment and outreach programs to women and minorities. The addition of the 1977 settlement agreement will enhance the content and understanding around valuation bias and fair housing by appraisers, users of appraisal services, and other stakeholders to appraisal.

The First Exposure Draft solicited feedback from a wide array of stakeholders, including the Appraisal Institute, fair housing and civil rights organizations, and users of appraisal services. This is a model of engagement we encourage the AQB to conduct in future appraiser qualification changes. We look forward to continuing to work with the AQB in future qualification criteria changes that strengthen the appraisal profession.

Thank you again for the opportunity to provide comments on this important subject.

Sincerely,



Craig Steinley, MAI, SRA, AI-GRS, AI-RRS
2023 President