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Kentucky Real Estate Appraisers Board

November 13, 2012

Ms. Lori Schuster
The Appraisal Subcommittee
1401 H Street NW
Suite 760
Washington DC 20005

RE: Docket Number AS12-16

Dear Ms. Schuster:

On behalf of the Kentucky Real Estate Appraisers Board and staff, it is my pleasure to submit the following comments concerning the proposed amendments to the Policy Statements.

Policy Statement 7:

Item B. Enforcement Process, sub-item 1 includes the comment that “absent special documented circumstances, final administrative decisions regarding complaints must occur within one year (12 months) of the complaint filing date.”

The above requirement is not considered reasonable, given the make-up of state regulatory processing procedures and given the fact that some states have unusually large caseloads compared to other states. Also, the time period is dependent upon many factors, e.g., number of credentialed appraisers, number of suspicious activity reports, etc.

Frankly, the state appraiser regulatory agencies have few options available to process complaint cases within a defined time period, including but not limited to the following:

1. Agency controlled Mediation Hearings that can result in an agreed settlement, in absence of a regulatory hearing.



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2. The agency having control of the hearing process without any specific time allowances for delay.
3. The agency has the funding and resources that will permit investigations to be completed within no longer than 3 months, regardless of the number of complaint allegations pending.

Therefore, if for whatever reason the total time for a complaint allegation being lodged until settlement remains at twelve (12) months, there should be a segregation of that time which can be managed under the direct control of the agency versus the judicial process, i.e., only the investigation and agency controlled mediation process.

The minute the case is scheduled for an administrative hearing or mediation outside the regulatory agency control, the time for completion is totally dependent upon the judicial schedule, and outside the control of a regulatory agency. Thus, it is not fair or reasonable to cite the regulatory agency for a deficiency in these matters. State appraiser regulatory agencies cannot and should not be cited for the calendars of which the court system, including the regulatory hearing process, is managed.

This one issue is no doubt cause for the preponderance of state appraiser regulatory agencies being noted as out of compliance with the effective enforcement requirements. Continuing to permit this unfair practice does no good for the profession or in building of public trust in the process.

The board and staff of the Kentucky Real Estate Appraisers Board strongly encourage an amendment to the proposed language in the Timely Enforcement section of the proposed revision to Policy Statement 7.

We thank you for this opportunity to comment.

Sincerely,



Larry Disney
Executive Director

Cc: File

