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Appraisal Subcommittee

Federal Financial Institutions Examination Council

December 11, 2013

Ms. Nicole Novotny Smith, Executive Director
Certified Real Estate Appraiser Board
2020 Carey Avenue, Suite 702
Cheyenne, WY 82002-0180

RE: ASC Compliance Review of Wyoming's Appraiser Regulatory Program

Dear Ms. Smith:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wyoming appraiser regulatory program (Program) on September 3-5, 2013 to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and the State's response to those results. The Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must have policies, practices and procedures consistent with Title XI;¹ and
- States must have a reciprocity policy in place for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI.²

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Wyoming will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Arthur Lindo
Chairman

Attachment

¹ Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 1.

² Title XI § 1122 (b), 12 U.S.C. § 3351; ASC Policy Statement 5.

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor ³	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

³ An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 8, *Interim Sanctions*.

ASC Compliance Review Report

ASC Finding: Good
Final Report Issue Date: December 11, 2013

Wyoming Appraiser Regulatory Program (Program)				Wyoming Certified Real Estate Appraiser Board (Board) / Decision Making		PM: N. Fenochietti		ASC Compliance Review Date: September 3-5, 2013		Review Period: June 2011 to September 2013	
Umbrella Agency: Wyoming Real Estate Commission (Commission)				Number of State Credentialed Appraisers on National Registry: 347		Review Cycle: Two Year					
Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments			
	YES	NO	AC								
Wyoming Statutes, Regulations, Policies and Procedures:		X									
States must have policies, practices and procedures consistent with Title XI. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 1.)				A review of the Program's emergency regulations revealed the following inconsistency with Title XI regarding Trainee requirements: Title XI provides that any requirements established for individuals in the position of Trainee Appraiser shall meet or exceed AQB Criteria. The Board's emergency regulations, chapter 1, section 17, establishes certain requirements for both Certified Trainees that meet the minimum AQB Criteria and uncertified trainees that do not meet the minimum AQB Criteria.	On October 18, 2013, Program staff provided ASC staff with a draft amendment to the regulations.	Wyoming must continue the process to amend its regulations to bring them into compliance with Title XI, and provide ASC staff with a copy of the final rules once adopted.	None	During the next Review in September 2015, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 1.			
Wyoming Statutes, Regulations, Policies and Procedures (continued):		X									
States must have a reciprocity policy in place for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI. (Title XI § 1122 (b), 12 U.S.C. § 3351; ASC Policy Statement 5.)				Wyoming's emergency regulations do not comply with the requirements of Title XI and ASC Policy Statement 5, although in practice the State appears to operate in compliance with those requirements.	On October 18, 2013, Program staff provided ASC staff with a draft amendment to the regulations.	Wyoming must continue the process to amend its regulations to bring them into compliance with Title XI and Policy Statement 5, and provide the ASC staff with a copy of the final rules once adopted.	None	During the next Review in September 2015, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 5.			
Temporary Practice	X										
				No compliance issues noted.	N/A	None	None	None			
National Registry:	X										
				No compliance issues noted.	N/A	None	None	None			
Application Process:	X										
				No compliance issues noted.	N/A	None	None	None			

ASC Compliance Review Report

ASC Finding: Good

Final Report Issue Date: December 11, 2013

Wyoming Appraiser Regulatory Program (Program)

Wyoming Certified Real Estate Appraiser Board (Board) / Decision Making PM: N. Fenochietti

ASC Compliance Review Date: September 3-5, 2013

Review Period: June 2011 to September 2013

Umbrella Agency: Wyoming Real Estate Commission (Commission)

Number of State Credentialed Appraisers on National Registry: 347

Review Cycle: Two Year

Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
Reciprocity:			X					
States must have a reciprocity policy in place for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI. (Title XI § 1122 (b), 12 U.S.C. § 3351; ASC Policy Statement 5.)				Wyoming's emergency regulations do not comply with the requirements of Title XI and ASC Policy Statement 5, although in practice the State appears to operate in compliance with those requirements.	On October 18, 2013, Program staff provided ASC staff with a draft amendment to the regulations.	None	To strengthen the Program, Wyoming should continue the process to amend its regulations to reflect what is being done in practice.	During the next Review in September 2015, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 5.
Education:	X							
				No compliance issues noted.	N/A	None	None	None
Enforcement:	X							
				No compliance issues noted.	N/A	None	None	None