

June 18, 2025

Via Email

Deanna E. Jurius, Executive Director
Division of Administration
Office of Professional Licensure and Certification
7 Eagle Square
Concord, NH 03301
Deanna.E.Jurius@oplc.nh.gov

RE: ASC Compliance Review of New Hampshire's Appraisal Management Company (AMC) Regulatory Program

Dear Deanna Jurius:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the New Hampshire AMC regulatory program (AMC Program) on August 6-8, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program is given an ASC Finding of "Not Satisfactory." The final ASC Compliance Review Report (Report) of the New Hampshire AMC Program is attached.

The ASC identified the following areas of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs;²
- States must determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the AMC Registry and if eligible, collect the registry fee.;³
- States must report AMCs that are either registered with and subject to the supervision of a State or are operating subsidiaries of a Federally regulated financial institution to the AMC Registry;⁴

¹ 12 U.S.C. §§ 3331-3356

² 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

³ 12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; 12 CFR 1102.403; Policy Statements 8 and 9.

⁴ 12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; 12 CFR 1102.403; Policy Statements 8 and 9.

- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations;⁵ and
- States must track complaints of alleged AMC misconduct or wrongdoing using a complaint log.⁶

The State has promised cooperation, noting that if the ASC found non-compliance present in its Statutes, the State would attempt to address the matter through rulemaking or find a legislative sponsor to propose a bill that would amend the Statute.

Likewise, the State indicates that it will administratively change its applications for initial and requalifying AMCs to ensure that panel size restrictions are accurate and that only qualified AMCs are placed on the National Registry. The State also notes that it has initiated an interim process to ensure that qualified AMCs are manually added to the National Registry in a timely fashion and that a long-term automated solution will be implemented with assistance from their technology department.

The meaningful steps above, combined with the ASC staff's increased monitoring and follow-up, will allow the opportunity and cooperative effort necessary to address the remaining areas of non-compliance cited in the Compliance Review Report. Importantly, the State must provide a complaint log or demonstrate to ASC staff that it has implemented sufficient action to obtain, assemble, and maintain the necessary documentation for an effective enforcement program as Title XI requires. The State must immediately move to provide complaint and enforcement data so that complaint data and disposition can be reported and compliance determined.

ASC Staff priorities will include verifying that the steps taken by the State and those actions underway promote the State's overall compliance with Title XI and the AMC Rule as evaluated based on the ASC Policy Statements.

Lastly, the ASC is aware that this Compliance Review represents the first Compliance Review of the AMC Program undergone by the State. Increased monitoring through more frequent contact and follow-up will considerably promote compliance within the New Hampshire AMC Program.

After notifying the State, ASC staff will conduct a Follow-up Review to confirm that appropriate corrective actions have been taken. New Hampshire will be moved to a one-year Review Cycle.

⁵ 12 U.S.C. § 3347; Policy Statement 10.

⁶ 12 U.S.C. § 3347; Policy Statement 10.

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,



Luke H. Brown
Acting Chair

Attachment

cc: Heather Kelley, Director of Operations, Division of Administration

Heather.A.Kelley@oplcnh.gov

Bethany A. Cottrell, Director, Division of Licensing and Board Administration

Bethany.A.Cottrell@oplcnh.gov

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**	<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.

**An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State AMC Program Compliance Review Report

ASC Finding: **Not Satisfactory**
 Final Report Issue Date: **June 18, 2025**

New Hampshire AMC Regulatory Program (State)			
New Hampshire Real Estate Appraiser Board	PM: T. Lewis	ASC Compliance Review Date: August 06-08, 2024	Review Period: July 2022 to June 2024
Umbrella Agency: Office of Professional Licensure and Certification		Number of AMCs on AMC Registry: 75	Review Cycle: One Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				The State's statute regarding ownership limitation for an owner does not provide the State the opportunity to determine whether a credential that was refused, denied, canceled, surrendered in lieu of revocation, or revoked in any State was done so for a substantive cause as determined by the State.	On November 21, 2024, the State reported that while its Statute does not explicitly address this concern, Administrative Rule Rab 308.01(c) and 308.01(e)(7)(d) both provide this opportunity. The State noted, "Rules and regulations promulgated by administrative agencies pursuant to a valid delegation of authority have the force and effect of laws." The State, therefore, notes that because the administrative rule is a valid, enforceable rule with the effect of law that cannot be waived, it respectfully asks for reconsideration of the preliminary indication that it was not in compliance.	The State correctly notes that its authority does provide the opportunity to determine whether a credential that was refused, denied, canceled, surrendered in lieu of revocation, or revoked in any State was done so for a substantive cause as determined by the State. However, the State must immediately amend their AMC initial application and annual renewal/requalification application to allow the applicant to provide information regarding any owner that has had a credential that was refused, denied, canceled, surrendered in lieu of revocation, or revoked in any State was done so for a substantive cause as determined by the State. The State must provide a copy of both applications to ASC staff once finalized.	During a Follow-up Review and the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
National Registry:		X					
States must determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the AMC Registry and if eligible, collect the registry fee. (12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26;12 CFR 1102.403; Policy Statements 8 and 9.)				The AMC panel size threshold is more than 15 in one State or 25 or more in 2 or more States in a 12-month period. The State incorrectly determines the panel size threshold for annual requalification for the AMC Registry based on the number of appraisers that performed appraisals for covered transactions during a 12-month period. The State failed to ensure State registered AMCs met the federal definition to be eligible to be on the AMC Registry.	On November 21, 2024, the State reported that substantively, the language contained in its statutes and regulations mirrors the AMC Rule to include the threshold language regarding panel size. The State notes that it will instruct and direct staff on the correct way to determine whether state-registered AMCs meet the federal definition of an AMC.	The State must ensure all AMCs on the AMC Registry meet the federal definition. Within 60 days of this Report the State must determine whether there are AMCs on the AMC Registry that do not qualify, and if so, remove them from the AMC Registry; and provide ASC staff with a report of State determinations. The ASC may place additional requirements upon the State.	During a Follow-up Review and the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry (continued):		X					
States must report AMCs that are either registered with and subject to the supervision of a State or are operating subsidiaries of a Federally regulated financial institution to the AMC Registry. (12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26;12 CFR 1102.403; Policy Statements 8 and 9.)				14 AMCs were not included on the AMC Registry.	On November 21, 2024, the State reported that the omission of the 14 AMCs from the AMC Registry was the result of a technology issue. The State indicates that it will address the matter by working with its technology department to resolve the issue.	Within 60 days the State must develop a plan to ensure that qualified AMCs meeting the federal definition are appropriately added to the AMC Registry and provide ASC staff with a copy of the plan once finalized.	During a Follow-up Review and the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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	YES	NO	AC				
National Registry (continued):			X				
States are required to ensure that staff authorization information provided to the ASC is updated and accurate. (Title XI § 1118, 12 U.S.C. § 3347; Policy Statement 9.)				The State failed to notify the ASC to deactivate an individual's Registry access.	On November 21, 2024, the State reported that staff turnover resulted in a failure to comply during the period under review. Before the Compliance Review, the State updated the list of authorized users and provided an internal policy to ensure compliance going forward.	The State should monitor the new internal process to ensure that the authorization information provided to the ASC is updated and accurate.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:		X					
States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 10.)				ASC staff requested closed complaint files for review. The State was unable to provide any files or documentation for closed complaints.	On November 21, 2024, the State reported that it experienced issues with the software it had recently purchased for creating and maintaining electronic enforcement documentation. The issues led to problems that affected all boards. The State has since created a system for the filing and documentation of closed complaints.	Within 60 days, the State must develop a plan to ensure that the disposition of complaint cases is consistent, appropriate and equitable; and the complaint process is well documented and available to ASC staff during the on-site portion of the Review.	ASC staff will verify the effectiveness of the new process during a Follow-up Review.



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Enforcement (continued):		X					
States must track complaints of alleged AMC misconduct or wrongdoing using a complaint log. (12 U.S.C. § 3347; Policy Statement 10.)				States must track complaints of alleged AMC misconduct or wrongdoing using a complaint log. The State was unable to provide a log with the required information.	On November 21, 2024, the State reported that it experienced personnel issues that were discovered shortly before the Review. The software problems resulted in unforeseen complications when providing the complaint log. The State has since addressed the personnel issues and is in the process of having its technology division troubleshoot the software issue, creating the required log.	The State must send a complaint log for review by ASC staff within 15 days from the date of this report. The ASC Program Manager assigned to the State will work with the State staff to determine the log details.	After reviewing the complaint log, ASC staff will determine if an onsite Follow-up review is necessary.