

**FFIEC – APPRAISAL SUBCOMMITTEE
MEETING MINUTES
SEPTEMBER 8, 1999**

ATTENDEES: H. Yolles (NCUA), D. Deale (OTS Voting Alternate), G. Gibbs (FRB), M. Holman (HUD), J. Snyder (FDIC), T. Watson (OCC Voting Alternate). **Permanent staff:** B. Henson (Executive Director), K. Gearheard (Senior Appraisal Policy Manager), D. Greene (Appraisal Policy Manager), V. Ledbetter (Appraisal Policy Manager), L. Schuster (Administrative Officer), R. Seward (Information Management Specialist), M. Weinberg (General Counsel). **Others:** J. Leitner (FDIC).

ABSENT: D. Gibbons (OCC), J. Price (OTS).

The meeting was called to order at 1:20 pm.

ADMINISTRATIVE MATTERS

- Meeting Minutes – G. Gibbs moved for approval of the July 14th minutes with edits, and M. Holman seconded. All members present approved.

ACTION

- **Approval of the Hawaii field review report and draft letter** – D. Greene presented the field review report and draft letter. Hawaii regulations do not require appraisers upgrading from the license classification to the certified residential classification to take the certified residential examination, if the appraiser passed the State license exam prior to January 1, 1995, when the exams for both classifications were identical. Title XI requires persons wishing to become certified residential appraisers to take and pass the examination in effect at the time of certification. D. Greene and B. Henson discussed this issue with representatives of Hawaii’s Department of Commerce and Consumer Affairs (“Department”), and they agreed to amend the regulation to require the appropriate examination and to research files to identify appraisers who need to take the certified residential examination. T. Watson asked if there are States other than Hawaii and Iowa using this upgrade approach. B. Henson said that we have completed the second round of State reviews, and these were the only two States that had this practice. T. Watson moved to accept the field review report and draft letter with edits and delegated authority to the Chairman to review and sign the letter. D. Deale seconded, and all members present approved.
- **Approval of the Kentucky field review report and draft letter** – V. Ledbetter presented the field review report and draft letter. She explained that Kentucky’s program is strong, and no significant issues required correction. G. Gibbs moved to accept the field review report and draft letter with edits and delegated authority to the Chairman to review and sign the letter. M. Holman seconded, and all members present approved.

- **Approval of the draft letter to the Virgin Islands** – B. Henson stated that this letter is to address the issues from our field review and follow-up review that remain unresolved. The ASC members did not vote on the letter, but told B. Henson to edit the letter and send it to H. Yolles for signature.
- **Approval of the proposed rules to review the ASC Freedom of Information Act (“FOIA”) procedures** – M. Weinberg said that our FOIA rules need to be amended to incorporate the Electronic Freedom of Information Act Amendments of 1996 and to update informational references to reflect last year’s office move and changes in staff structure. He based the substantive portions of the proposed rules on the FDIC’s current rules. G. Gibbs moved for approval of the proposed FOIA rules subject to the informal concurrence of the FFIEC’s Legal Advisory Group. M. Holman seconded, and all members present approved.
- **Approval of the proposed FY ’00 field review schedule** – B. Henson said that this schedule is the first-year of the third cycle of State field reviews G. Gibbs moved to approve the FY’00 field review schedule as presented, and M. Holman seconded. All members present approved.
- **Approval of the ASC FY ’00 Budget** – B. Henson presented the proposed FY ’00 budget totaling \$2,079,685. It is similar to our FY ’99 budget, adjusted for normal cost of living increases. G. Gibbs moved for approval of the FY ’00 budget as presented, and M. Holman seconded. All members present approved. G. Gibbs noted that expenditures must be made within established delegated authorities and that approval of the budget did not indicate approval of a particular expenditure.
- The meeting adjourned at 2:40 pm. The next meeting will be held on October 13, 1999.