



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

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February 8, 2018

James R. Park,
Executive Director
1401 H. Street N.W.; Suite 760
Washington, D.C. 20005

Dear Mr. Park:

Pursuant to ASC Bulletin 2017-02, please accept this formal request for an extension of the implementation period to establish an AMC program in the State of Alaska until August 10, 2019.

Two bills are currently before the Alaska State Legislature to provide this authority to the Board of Certified Real Estate Appraisers; once granted, the board is prepared to adopt regulations under that authority to ensure the program conforms to Title XI of FIRREA as amended by the Dodd-Frank Act. For your reference, the proposed legislation is attached to this letter.

Please feel free to contact our office with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Sara Chambers".

Sara Chambers
Deputy Director

Encl.

CC: David Derry, Chairman, Alaska Board of Certified Real Estate Appraisers
Janey McCullough, Director, DCCED, CBPL
Micaela Fowler, Special Assistant, DCCED
Renee Hoffard, Records and Licensing Supervisor, DCCED, CBPL
Dawn Dulebohn, Occupational Licensing Examiner, DCCED, CBPL
Claire Brooks, Policy Manager, Appraisal Subcommittee

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Appraisal Subcommittee

Federal Financial Institutions Examination Council

Bulletin No. 2017-02
Issue Date: November 21, 2017

To: State Appraiser Regulatory Officials

Subject: Extension of Implementation Period for State Registration and Supervision of Appraisal Management Companies (AMCs)

Purpose

The Appraisal Subcommittee (ASC) is issuing this Bulletin to provide information regarding State applications for extension of the Implementation Period for registration and supervision of AMCs.

Background

Section 1473 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act)¹ included amendments to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989² (Title XI). Section 1117³ of Title XI, *Establishment of State appraiser certifying and licensing agencies*, was amended by the Dodd-Frank Act to include additional duties for States, if they so choose, to register and supervise AMCs. States electing to register and supervise AMCs must implement minimum requirements in accordance with the AMC Rule.⁴

Implementation Period

Title XI as amended by the Dodd-Frank Act imposes a statutory restriction on performance of

¹ Pub. L. 111-203, 124 Stat. 1376.

² Pub. L. 101-73, 103 Stat. 183.

³ 12 U.S.C. 3346.

⁴ The Dodd-Frank Act added section 1124 to Title XI, *Appraisal Management Company Minimum Requirements*, which required the Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Bureau of Consumer Financial Protection (Bureau); and Federal Housing Finance Agency (FHFA) to establish, by rule, minimum requirements for the registration and supervision of AMCs by States that elect to register and supervise AMCs pursuant to Title XI and the rules promulgated thereunder. The Agencies issued a final rule (AMC Rule) with an effective date of August 10, 2015. (80 FR 32658, June 9, 2015).

services by AMCs for federally related transactions (FRTs)⁵ that applies after August 10, 2018 (Implementation Period).⁶ The ASC, with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this period for an additional 12 months if the ASC makes a finding that the State has made substantial progress in establishing a State AMC registration and supervision system (AMC Program) that meets the standards of Title XI.⁷

Application for Extension of the Implementation Period

A State may make a request in writing to the ASC for a 12-month extension of the Implementation Period. A request must include evidence of substantial progress⁸ made by the State towards establishing an AMC Program that appears to conform with Title XI.

Any request for an extension should be received by the ASC by **June 1, 2018**, in order to process a State's request prior to the expiration of the Implementation Period.

If the request for an extension is granted, the statutory restriction on performance of services by AMCs for FRTs will be lifted until August 10, 2019, for AMCs operating in the subject State.

For further information, contact James R. Park, Executive Director, at (202) 595-7575 or Jim@ASC.gov, or Alice M. Ritter, General Counsel, at (202) 595-7577 or Alice@ASC.gov.

Sincerely,



Arthur Lindo
ASC Chairman

⁵ A federally related transaction includes any real estate-related financial transaction which: (a) a Federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser. *See* Title XI sec. 1121 (4), 12 U.S.C. 3350, implemented by the OCC: 12 CFR 34.42(f) and 34.43(a); Board: 12 CFR 225.62(f) and 225.63(a); FDIC: 12 CFR 323.2(f) and 323.3(a); and NCUA: 12 CFR 722.2(f) and 722.3(a). Based on 2014 Home Mortgage Disclosure Act (HMDA) data, at least 90 percent of residential mortgage loan originations are not subject to the Title XI appraisal regulations. (FFIEC report to Congress, *Economic Growth and Regulatory Paperwork Reduction Act*, 82 FR 15900 (March 30, 2017).

⁶ *See* 12 U.S.C. 3353(f)(1). “Implementation Period” is the 36-month period that began when the AMC Rule became effective. Upon expiration of the Implementation Period (August 10, 2018), an AMC, as defined by Title XI, may not provide services for FRTs in a State unless the AMC is registered with the State pursuant to a registration and supervision program established under Section 1117, or is subject to oversight by a Federal financial institutions regulatory agency.

⁷ 12 U.S.C. 3353(f)(2).

⁸ Examples of “substantial progress” may include draft legislation, rulemaking or policy to establish an AMC Program that has not yet been finalized.