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Appraisal Subcommittee
Federal Financial Institutions Examination Council

March 14, 2012

Mr. Dave Ross, Secretary
Department of Safety and Professional Services
Division of Professional Credentialing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

RE: ASC Compliance Review of Wisconsin's appraiser regulatory program

Dear Mr. Ross:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of Wisconsin's appraiser regulatory program (Program) on August 22-24, 2011. This is the final ASC Compliance Review Report (Report) on that Review.

The ASC has considered the preliminary findings regarding the Review and the State's response. The ASC has determined the Program is not in substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended. The ASC identified the following area of non-compliance:

- States should resolve all complaints filed against appraisers within one year, except for special documented circumstances.¹

In its response, the State indicated corrective actions were taken. Wisconsin will remain on a two-year Review Cycle. During the next Review, ASC staff will confirm these corrective actions have taken place and are appropriate. Please also be advised this letter and the attached Report are public record and available on the ASC website in accordance with the Freedom of Information Act.

Please contact us if you have any questions.

Sincerely,



Peter Gillispie
Acting Chairman

Attachment

cc: Ms. Berni Mattson, Executive Director, Real Estate Appraisers Board

¹ Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E.

ASC Compliance Review Report

ASC Finding: Not In Substantial Compliance

Final Report Issue Date: March 14, 2012

Wisconsin Appraiser Regulatory Program (Program)

Real Estate Appraisers Board (Board) /
Decision Making

PM: J. Tidwell

ASC Compliance Review Date: August 22-24, 2011

Review Period: November 2009 to August 2011

Umbrella Agency: Department of Safety and Professional Services (Department) / Division of Professional Credentialing (Division)

Number of State Credentialed Appraisers on National Registry: 2181

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					
Wisconsin Statutes, Regulations, Policies and Procedures:	X							
				No compliance issues noted.	N/A	None	None	None
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
Reciprocity:	X							
				No compliance issues noted.	N/A	None	None	None
Education:	X							
				No compliance issues noted.	N/A	None	None	None

ASC Compliance Review Report

ASC Finding: Not In Substantial Compliance

Final Report Issue Date: March 14, 2012

Wisconsin Appraiser Regulatory Program (Program)

Real Estate Appraisers Board (Board) / Decision Making	PM: J. Tidwell	ASC Compliance Review Date: August 22-24, 2011	Review Period: November 2009 to August 2011
Umbrella Agency: Department of Safety and Professional Services (Department) / Division of Professional Credentialing (Division)		Number of State Credentialed Appraisers on National Registry: 2181	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					
Enforcement:		X						
<p>States should resolve all complaints filed against appraisers within one year, except for special documented circumstances. (Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E.)</p>				<p>Wisconsin had 65 outstanding complaints of which 14 were unresolved for more than one year. There were no cases that fell under the exception for special documented circumstances. Therefore, of the 65 outstanding complaints, 14 (22%) were not resolved in accordance with ASC Policy Statement 10E. Of those 14 cases, all were investigated and in the Division of Enforcement in various stages of the disciplinary process.</p>	<p>In a letter dated November 22, 2011, Department staff reported to ASC staff that there has been a significant improvement from the 2009 Review with 133 pending complaints of which 32 were open more than one year. In addition, all open cases during the 2011 Review were less than two years old as compared to the 2009 Review, which included cases that had been open for more than four years.</p> <p>These improvements were the result of prioritizing complaints and devoting significant legal and investigative resources, including improving the screening process and hiring a credentialed appraiser to screen complaints and perform reviews.</p> <p>Wisconsin continues to actively pursue resolution of the remaining cases that have been open more than one year and is confident that their continued prioritization of open complaints against appraisers will further reduce the backlog of cases to bring Wisconsin's appraiser regulatory program into compliance with ASC Policy Statement 10E.</p>	<p>Wisconsin must submit quarterly complaint logs to ASC staff. Staff will analyze each log. If progress is not made, the ASC may place additional requirements upon the State.</p> <p>The ASC Policy Manager assigned to Wisconsin will work with the Department staff to determine the timing and content of the complaint log.</p>	<p>None</p>	<p>ASC staff agrees that Wisconsin has shown improvement in resolving complaints in a timely manner since the 2009 Review.</p> <p>Through off-site monitoring and during the next Review in 2013, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 10E.</p>