

MEMORANDUM

TO: Public File – Notice of Proposed Rulemaking: Minimum Requirements for Appraisal Management Companies (RIN 3064 AE10)

FROM: FDIC Staff

DATE: May 20, 2014

SUBJECT: Meeting with FAIR Coalition

On May 20, 2014, FDIC staff and representatives from the other agencies issuing the above-referenced, proposed rulemaking (the FRB, NCUA, OCC, FHFA, and the CFPB), as well as the Appraisal Subcommittee of the Federal Financial Institutions Examination Council participated in a meeting with members of the Coalition to Facilitate Appraisal Integrity Reform (FAIR Coalition), which included representatives from CoreLogic, ServiceLink, and Rels Valuation. The FAIR Coalition members presented four issues regarding a selection of questions in the proposed rulemaking, as follows:

1. In response to the Agencies' request for comment on the proposed definition of "appraiser network or panel" (Question 2; 79 Fed. Reg. 19521, 19525), the FAIR Coalition suggested that the agencies reconsider distinctions between appraisal firms and appraisal management companies (AMCs).
2. In response to the Agencies' request for comment on the proposed minimum requirements for State registration and supervision of AMCs (Question 6; 79 Fed. Reg. 19521, 19527), the FAIR Coalition suggested that the agencies reconsider their conclusion that section 1124 to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 does not compel a State to establish an AMC registration and supervision program. 79 Fed. Reg. 19523.
3. In response to the Agencies' request for comment on the questions of what barriers, if any, exist that may make it difficult for a State to implement the proposed AMC rules and whether there any barriers to a State collecting information on Federally regulated AMCs and submitting such information to the ASC (Questions 8 & 10; 79 Fed. Reg. 19521, 19529), the FAIR Coalition suggested that the agencies reconsider how panel membership is determined for the purposes of state registration and information submission to the Appraisal Subcommittee.
4. In response to the Agencies' request for comment on the question of whether any questions are raised by any differences between State laws and the proposed AMC rules (Question 11; 79 Fed. Reg. 19521, 19529), the FAIR Coalition suggested that the agencies clarify whether a state appraiser agency or board can interpret or has authority to investigate and enforce section 129E of the Truth in Lending Act.