WISCONSIN BANKERS ASSOCIATION

June 9, 2014

VIA ELECTRONIC DELIVERY

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street SW
Suite 3E-218
Mail Stop 9W-11
Washington, DC 20219
Docket No. OCC-2014-0002

Robert DeV. Frierson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW.
Washington, DC 20551
Docket No. R-1486

Robert E. Feldman, Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street NW.
Washington, DC 20429
RIN 3064-AE10

Gerard Poliquin, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428
RIN 3133-AE22

Monica Jackson, Office of the Executive Secretary
Bureau of Consumer Financial Protection
1700 G Street NW.
Washington, DC 20552
Docket No. CFPB-2014-0006

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA61
Federal Housing Finance Agency
Eighth Floor, 400 Seventh Street SW.
Washington, DC 20024

Re: Minimum Requirements for Appraisal Management Companies. OCC RIN 1557-AD64; FRB RIN 7100-AE15; FDIC RIN 3064-AE10; NCUA RIN 3133-AE22; CFPB RIN 3170-AA44; FHFA RIN 2590-AA61.

Dear Sirs and Madams:

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing approximately 300 state and nationally chartered banks, savings and loan associations, and savings banks located in communities throughout the state. WBA appreciates the opportunity to comment on the Office of the Comptroller of the Currency's (OCC's), Board of Governors of the Federal Reserve System's (FRB's), Federal Deposit Insurance Corporation's (FDIC's), National Credit Union Administration's (NCUA's), Bureau of Consumer Financial Protection's (CFPB's), and Federal Housing Finance Agency's (FHFA's) (collectively, the Agencies') proposed rule regarding minimum requirements for appraisal management companies (AMCs), which would implement requirements in the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Act), and would be applied by states in their registration and supervision of AMCs.

WBA commends the Agencies for their work in proposing to implement the statutory requirements of the Act without imposing supplemental prohibitions or standards, and without creating undue regulatory burden. The requirements will apply to states that have elected to establish an appraiser certifying and licensing agency with authority to register and supervise AMCs. To alleviate the burden on AMCs and, in turn, on financial institutions contracting with AMCs, WBA recommends that the Agencies and the Conference of State Bank Supervisors (CSBS) work together with the states to ensure that all AMC regulation and registration requirements are as uniform as possible.

Under the Act, 36 months after the Agencies issue a final rule, an AMC may not provide services for a federally-related transaction in a state unless the AMC is registered with the state or is subject to oversight by a federal financial institutions regulatory agency. A consequence of this provision, albeit possibly unintended, is that non-federally regulated AMCs will be prohibited from performing appraisal management services for federally-related transactions in a state where a regulatory structure is not adopted. Lenders will be unable to use AMCs to comply

with the interagency guidance on appraisal independence published in December 2010 to ensure borrowers receive an independent appraisal. Lenders will be forced to absorb the cost of creating an appraisal panel for this purpose, or may simply choose not to conduct business in states that have not adopted an AMC regulatory structure, which will restrict access to credit. WBA understands the Agencies may not require states to adopt a regulatory structure for AMC registration and supervision; however, WBA wishes to call attention to this matter and the potential consequences. WBA suggests that the Agencies include within the final rule a provision permitting an AMC registered with the National Registry to provide appraisal management services to lenders. The similar framework adopted for mortgage loan originators in the Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act), which allows for federal registration of mortgage loan originators, has proven to be an efficient and workable solution.

According to the proposal, should a state fail to submit to the Appraisal Subcommittee all of the information required by the regulation, the AMCs registered in that state could otherwise lose their registered status and suffer disrupted operations due to the state's administrative error. WBA recommends that the Agencies add an explicit statement confirming that incomplete state filings to the Appraisal Subcommittee will not threaten an AMC's federal registration status.

In addition, WBA agrees with and supports the Agencies' interpretation of the Act that AMC requirements extend to residential mortgage transactions and securitizations involving residential mortgages, and do not extend to AMCs when providing appraisal management services for underwriters or other principals of commercial mortgages.

Once again, WBA appreciates the opportunity to comment on the Agencies' proposed rule.

Sincerely,

Rose Oswald Poels
President/CEO