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March 5, 2018

The Honorable William P. Coley, II, Chair  
Senate Government Oversight and Reform Committee  
Senate Building  
1 Capitol Square, 2nd Floor  
Columbus, OH 43215

**Re: Industry Support for Passage of H 213**

Dear Chair Coley and distinguished members of the Senate Government Oversight and Reform Committee:

On behalf of the Real Estate Valuation Advocacy Association (REVA), a national trade association for Appraisal Management Companies (AMC), and the Ohio industry partners listed below, please vote in support of H 213. It passed the House in June 2017 by a wide margin and there is no opposition to the regulation of AMCs in Ohio.

H 213 was created by consensus by the following industry stakeholders and puts into place a compliant regulatory framework for AMCs that meets federal minimum standards.

- Ohio Department of Commerce, Division of Real Estate & Professional Licensing
- Real Estate Valuation Advocacy Association (REVA) – a trade group for AMCs
- Ohio Mortgage Bankers Association
- Ohio Bankers League
- Ohio Coalition of Appraisal Professionals
- Ohio Association of Realtors

AMCs are in the odd position of seeking regulation of their own businesses, but it is unavoidable due to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and subsequent regulations, that established state regulation of AMCs and a 36-month timeline to comply (by August 2018). If a state chooses not regulate AMCs, lenders will not be able to use AMCs to facilitate Federally Related Transactions (FRT). This will cause significant disruption to Ohio mortgage lending and increase costs for Ohio consumers.

Currently, 46 states have passed laws to regulate AMCs. Ohio is one of the final four states (AK, MA, NY, OH) and the District of Columbia to consider AMC legislation ahead of the 2018 deadline.

AMCs are important third-party service providers to lenders and other financial institutions that facilitate residential appraisal transactions –in Ohio and across the nation. In the appraisal transaction, AMCs are responsible for working with appraisers and lenders to serve consumers, including:

- Ensuring appraiser independence by safeguarding against fraud and undue influence.
- Ensuring lender compliance with federal and state banking and appraisal regulations.
- Providing appraisal review for quality assurance to ensure appraisal credibility.
- Protecting public safety through background checks of appraisers, realtors and brokers.

Thank you for considering our request,

Mark Schiffman  
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