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R.I. president's message: Proposed legislative action

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At a recent director's meeting of the Rhode Island Chapter a lively discussion regarding the recently passed Home Valuation Code of Conduct (HVCC) ensued. While our membership recognizes the importance of this legislation with respect to ending past practices of undue influence or coercion on the part of the lenders or any other party in a real estate transaction, it is not without flaws. The excessive use of Appraisal Management Companies (AMCs) by lenders has proven detrimental to our industry. A major concern is the lack of regulation in the current AMC industry. Rhode Island is not alone. In many states these companies operate without oversight from any level of government. In fact, it is ironic that the HVCC came about as a result of questionable conduct by an AMC in their dealings with Fannie Mae and Freddie Mac.

For this reason Directors William McGovern, SRA and Gregory Accetta, MAI volunteered to investigate the potential for AMC regulation in Rhode Island. To that end, Mr. William E. Coyle, Chairman of the Rhode Island Real Estate Appraisal Board provided them with a copy of proposed legislation that was previously drafted by the Board's Legal Counsel. McGovern proceeded to engage the interest of Rhode Island Representative Douglas Gablinske (District 68, Bristol, Warren) who agreed to present the legislative package to the House Legislative Counsel for a detailed review and potential submission to the General Assembly. This proactive action on the part of our chapter is much appreciated.

March is an active month on the education front. S. Keith White, Jr., SRA, SRPA vice president of education will be presenting two timely and useful courses: The 7-hour National USPAP Update Course on Friday, March 19th; and The Discounted Cash Flow Model: Concepts, Issues and Applications on Thursday, March 11th. Both courses will be held at the Radisson Airport Hotel, 2081 Post Rd., Warwick, R.I. Contact Elsie John at ejohn4@cox.net for more information.

I want to offer my sincere congratulations to some worthy members of the Rhode Island Chapter of the Appraisal Institute. After a one-year hiatus, Thomas Andolfo, MAI has been returned to the Rhode Island Real Estate Appraisal Board and Jamie Moore has been reappointed to a second term. Special thanks go to Gerald Roch, SRA for his admirable service on the board for the past eight years. This takes time and commitment on their part and is surely appreciated by our industry. A very special recognition goes to George Demopoulos of the Lincoln Appraisal Group on his recent award of the SRA Designation. This takes years of dedication and hard work to achieve this goal. Well done!!

In closing, you may recall we had to postpone our scheduled "Meet Your Regulator" seminar. Please know we have not forgotten! At this time we are working out the details of a rescheduled presentation. Undoubtedly, this will be very interesting and informative. As an appraiser you have to ask yourself when the last time was you actually interacted with the people who regulate your business.

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