

September 25, 2020

Chairman Kenyan McDuffie  
1350 Pennsylvania Avenue NW, Suite 506  
Washington, DC 20004

Dear Chairman McDuffie,

On behalf of the undersigned organizations representing mortgage lenders serving consumers in the District of Columbia, we are writing to urge the Committee on Business and Economic Development to pass B23-0445 (Mendelson) and permanently require the D.C. Department of Insurance, Securities and Banking (DISB) to license appraisal management companies (AMCs) in the District. B23-0445 would simply make permanent already approved law by removing the sunset date on DISB's authority to license AMCs.

Specifically, the Council established DISB's AMC licensing authority in emergency legislation passed last year to meet the Dodd-Frank Wall Street Reform and Consumer Protection Act's (Dodd-Frank) deadline for all states to meet federally mandated minimum standards for AMCs. The District's current consumer protection law is scheduled to lapse at the end of the year if the Council does not act and pass B23-0445.

The real estate finance industry supported the effort for all states to meet these important Dodd-Frank safeguards. Lenders employ cost-saving entities like AMCs because they help facilitate the use of the federal government's affordable housing programs. These programs are essential to expanding housing opportunity in the challenging Washington, D.C. housing market, which has become even more acute since the onset of the pandemic. We also believe the legislation passed last year prevented unnecessary disruptions and allowed DC residents access to additional competitive financing options since lenders who utilize AMCs have been able to continue to operate in the District.

Additionally, passing B23-0445 and approving final rules on AMC licensure would provide DISB, consumers and the real estate finance industry with greater certainty and continuity, which will allow more borrowers in the District to take advantage of historically low interest rates.

Thank you for your interest in working with the real estate finance industry on this issue to better serve residents of D.C.

Sincerely,

Mortgage Bankers Association of Metropolitan Washington  
Maryland Mortgage Bankers and Brokers Association  
Virginia Mortgage Bankers Association  
Mortgage Bankers Association  
American Bankers Association