***Diversity, Equity, and Inclusion*** was moderated by Sherry Bren. The panelists included Scott DiBiasio, Manager of State & Industry Affairs for the Appraisal Institute; Peter Fontana, Chairman of the Montana Board of Real Estate Appraisers; and Craig Steinley, Vice President of the Appraisal Institute.

***Scott DiBiasio*** addressed the need for more diversity in the appraisal profession and make it more representative of the social fabric of America. The industry should bring veterans, and people of all colors, ages, and genders into our profession.

Various states have proposed legislation that would require appraisers to complete education on appraiser bias and discrimination and fair housing lending. Scott cautioned state regulators that the profession should support legislation to ensure all appraisers have some exposure to valuation bias, Regardless of who proposes it, there will be something proposed with or without input from the industry.

State Regulators were encouraged to be proactive in the elimination of bias and cultural competencies by:

* helping appraisers become more aware of implicit, explicit, and structural bias through training and education; and
* adopting regulations to require appraisers take qualifying and/or continuing education on valuation bias and discrimination.

PAREA provides an alternative for aspiring appraisers to fulfill the experience hour requirements without having to find a supervisory appraiser. It was stated that:

* PAREA plays an important role in making the appraisal profession look more demographically like America, giving the disadvantaged an alternative to gain experience.
* States are encouraged to accept the PAREA program to satisfy 100% of the required experience hours for the licensed and certified residential credentials without any additional state specific requirements. Approving anything less than 100% of the required hours defeats the intent and purpose of the program.
* State approval and the amount of experience hour credits may have an impact on whether an appraiser will spend the money to complete the PAREA program. Something less than 100% credit may deter the appraiser from engaging in the program.

AQB approval of the content and delivery of a PAREA program should be sufficient to satisfy state regulators.

* Potential PAREA providers have concerns with how slow states are approving the PAREA program. It is difficult for a potential PAREA provider to commit to offering the program without knowing what portion of the experience hour requirements that the states are going to allow.
* States should not be reviewing individual PAREA programs and deciding whether to approve or not approve a program. The additional fees or state approval may discourage potential PAREA providers from offering such a program.

If states consider imposing additional requirements (overlays) over and above PAREA, keep in mind:

* Additional overlays to the program defeat the intent and purpose of PAREA.
* States need to have good data to support justification for any additional overlays.
* Replacing existing barriers with new, unnecessary barriers may continue to discourage individuals to come into the industry, as well as deprive individuals of diverse background the right to work.

***Peter Fontana*** continued the discussion on breaking down barriers to make the appraiser profession more available to veterans, and people of diversity of color, age, gender, and background.

Regulators need to recognize that the regulatory structure has changed over the years and they need to be open-minded to new initiatives:

* The recent pandemic has forced appraisers to make use of new technology to complete appraisals. The notion that new technology can be used to obtain values in a credible manner is not going away.
* With appraisers using evaluations, AVMs, and bifurcated appraisals, state regulators will encounter more appraisal valuation products to look at as complaints are filed. Do regulators have the adequate tools to review these types of appraisal products?

One of the jobs as a state regulator is to responsibly license individuals who meet the AQB criteria:

* Be careful not to keep people out of the industry, especially people with diverse backgrounds.
* Regulators should not interfere with individuals who meet the minimum criteria for licensure or certification.
* Regulators should not set unnecessary barriers on top of the AQB criteria without having a statement of reasonable necessity, or you could be faced with a violation of anti-trust law as in the North Carolina Dental case.

As state regulators, we need to help make the appraisal profession more representative of the social fabric of America. The current make-up of the profession is white males over 55. How do we overcome this issue of the aging population and the limited diversity to make the appraisal profession more representative of the social fabric of American? Here’s a breakdown of some of the unnecessary barriers to entry:

* Acknowledge the fact that the appraiser/supervisory model is flawed.
* Accept PAREA as 100% experience hour requirement as an alternative for diverse people of, as well as veterans and new appraisers trying to enter the profession.
* Adopt 100% of experience from other types of appraisal disciplines (advalorum tax appraisal experience, review appraisal experience).

***Craig Steinley*** concluded the session with the message that it is time for us to become more culturally aware and recruit appraisers that are more diverse. There are a lot of diverse faces in the communities across America. The Appraisal Institute would like to see the appraiser population, as well as the organization itself, reflect more diversity, one that is representative of America.

The Appraisal Institute is undertaking efforts to advance the concept of equity of all types: racial equity, gender equity, and personal characteristic equity. To be a part of the solution, the Appraisal Institute:

* Joined forces with the Brookings Institute look at alternative ways to value property;
* Is working with Congress trying to find good solutions to the various issues out there;
* Has doubled its efforts in the areas of ethics education and training by: 1) offering a seminar addressing explicit bias, unconscious bias, structural bias; 2) updating the AI Code of Ethics; and 3) working with the Appraisal Foundation and other organizations in a collaborative effort to develop additional seminars;
* Introduced a new Guide Note about the use of personal characteristics in the valuation process; and
* Is working with the Appraisal Foundation to take look at the standards and qualifications and how they can affect change and make appraisers more aware of unconscious bias.

Furthermore, the Institute has the following initiatives in place:

* Offering scholarships to mentor and train people to get people in the profession;
* Established an Education Relief Fund, donated by past Appraisal Institute professionals;
* Offers scholarships for minorities and women to try to bring them into the business;
* Develop the Women’s Initiative Committee; and
* Put together a Diversity Panel.

Craig discussed the PAREA program as another way to increase diversity. He announced that the Appraisal Institute submitted a PAREA program design brief to the AQB, and the AQB has accepted it. There is still the question of financial feasibility, but the Institute believes it is important to try to bring this program to market.

Where are things now in the industry and with the Appraisal Institute? Associations and businesses throughout the country are dealing with the issue of implicit bias. Generally speaking, associations and the appraisal profession want to be more inclusive. We must acknowledge that these challenges have being building over the last 100 years. Therefore, this is not something that can change overnight. It will take long term solutions on both the federal and state levels. We need to recognize that appraiser organizations, legislators, and regulators, must work together as a group to resolve these issues.

What we do as a collaborative group, or independently to try to help with diversity, equity, and inclusion in our associations and businesses will be a defining moment in the history of diversity, racial equity, gender equity, and inclusion. This is a problem that needs our collaborative attention.