

Thomas J. Maslany, Director, Air Management Division, Region III
 John W. Meagher, Director, Wetlands Division, Office of Water
 Joseph J. Merenda, Director, Health and Environmental Review Division, Office of Prevention, Pesticides and Toxic Substances
 Nora L. McGee, Assistant Regional Administrator for Policy and Management, Region IX
 James C. Nelson, Associate General Counsel (Pesticides and Toxics Substances), Office of General Counsel
 John B. Rasnic, Director, Manufacturing, Energy and Transportation Division, Office of Enforcement and Compliance Assurance
 Dan J. Rondeau, Director, Office of Civil Rights, Office of the Administrator
 Alan B. Sielen, Deputy Assistant Administrator for International Activities, Office of International Activities
 William A. Spratlin, Director, Air, RCRA and Toxics Division, Region VII
 David W. Ziegele, Director, Office of Underground Storage Tanks, Office of Solid Waste and Emergency Response
 David J. O'Connor (Executive Secretary), Director, Office of Human Resources and Organizational Services, Office of Administration and Resources

Members of the Inspector General Subcommittee to the EPA Performance Review Board are:

Donald Mancuso, Assistant Inspector General for Investigations, Department of Defense
 Everett L. Mosley, Deputy Inspector General, Agency for International Development
 Thomas D. Roslewicz, Deputy Inspector General for Audit Services, Department of Health and Human Services

Dated: October 9, 1996.

Alvin M. Pesachowitz,
Acting Assistant Administrator for Administration and Resources Management.
 [FR Doc. 96-26919 Filed 10-18-96; 8:45 am]
BILLING CODE 6560-50-P

FARM CREDIT ADMINISTRATION

Sunshine Act Meeting; Farm Credit Administration Board; Special Meeting

AGENCY: Farm Credit Administration.

SUMMARY: Notice is hereby given, pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), of the forthcoming special meeting of the Farm Credit Administration Board (Board).

DATE AND TIME: The special meeting of the Board will be held at the offices of the Farm Credit Administration in McLean, Virginia, on October 22, 1996, from 9:00 a.m. until such time as the Board concludes its business.

FOR FURTHER INFORMATION CONTACT: Floyd Fithian, Secretary to the Farm Credit Administration Board, (703) 883-4025, TDD (703) 883-4444.

ADDRESS: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

SUPPLEMENTARY INFORMATION: This meeting of the Board will be open to the public (limited space available). In order to increase the accessibility to Board meetings, persons requiring assistance should make arrangements in advance. The matters to be considered at the meeting are:

Open Session

A. Approval of Minutes

B. New Business Regulations

—Federal Agricultural Mortgage Corporation Receiver/Conservator Regulation [12 CFR Part 650] (Proposed).

Dated: October 17, 1996.

Floyd Fithian,
Secretary, Farm Credit Administration Board.
 [FR Doc. 96-27058 Filed 10-17-96; 2:27 pm]

BILLING CODE 6705-01-P

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

[Docket No. AS96-1]

Appraisal Subcommittee; Appraisal Policy; Temporary Practice and Reciprocity

AGENCY: Appraisal Subcommittee, Federal Financial Institutions Examination Council.

ACTION: Proposal of policy statement and request for comments.

SUMMARY: The Appraisal Subcommittee ("ASC") of the Federal Financial Institutions Examination Council is proposing for public comment a new policy statement ("Statement") regarding temporary practice and reciprocity. The Statement is intended to implement section 315 of the Riegle Community Development and Regulatory Improvement Act of 1994 ("CDRIA").

DATES: Comments must be received on or before December 5, 1996.

ADDRESSES: Persons wishing to submit written comments should file them with Ben Henson, Executive Director, or

Marc L. Weinberg, General Counsel, Appraisal Subcommittee, 2100 Pennsylvania Avenue, N.W., Suite 200, Washington, D.C. 20037. Comments may be forwarded via fax to (202) 634-6555. All comment letters should refer to Docket No. AS96-1. All comment letters will be available for public inspection and copying at the ASC's offices.

FOR FURTHER INFORMATION CONTACT: Ben Henson, Executive Director, or Marc L. Weinberg, General Counsel, at (202) 634-6520, Appraisal Subcommittee, 2100 Pennsylvania Avenue, N.W., Suite 200, Washington, D.C. 20037.

SUPPLEMENTARY INFORMATION:

I. Introduction and Background

Since January 1, 1993, Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("Title XI"), as amended,¹ has required all federally regulated financial institutions to use State licensed or certified real estate appraisers, as appropriate, to perform appraisals in federally related transactions. See Section 1119(a) of Title XI, 12 U.S.C. 3348(a). In response to Title XI, each State, territory and the District of Columbia ("State") has established a regulatory program for certifying, licensing and supervising real estate appraisers. In turn, the ASC has been monitoring State programs to ensure their compliance with Title XI.

While Title XI authorizes each State to certify, license and supervise real estate appraisers within its jurisdiction, the Title also provides a means for appraisers licensed or certified in one State to practice on a temporary basis in another State. Section 1122(a)(1) of Title XI, 12 U.S.C. 3351(a)(1), specifically requires "[a] State appraiser certifying or licensing agency [(State agency)] to recognize on a temporary basis the certification or license of an appraiser issued by another State if—(A) the property to be appraised is part of a federally related transaction, (B) the appraiser's business is of a temporary nature, and (C) the appraiser registers with the appraiser certifying or licensing agency in the State of temporary practice."

Reciprocity provides appraisers certified or licensed in one State with a means to practice in another State on a permanent basis. While Title XI, until recently, did not specifically mention reciprocity, the ASC encouraged States

¹ Pub. L. 101-73, 103 Stat. 183 (1989), as amended by Pub. L. 102-233, 105 Stat. 1792 (1991), Pub. L. 102-242, 105 Stat. 2386 (1991), Pub. L. 102-550, 106 Stat. 3672 (1992), Pub. L. 102-485, 106 Stat. 2771 (1992), Pub. L. 103-325, 108 Stat. 2222 (1994); and Pub. L. 104-208, 110 Stat. 3009 (1996).

to enter into reciprocal appraiser licensing and certification agreements and arrangements.

In September 1994, Section 315 of CDRIA was enacted. Public Law 103-325, 108 Stat. 2160, 2222 (1994). CDRIA amended Section 1122(a) of Title XI by adding new subparagraph (2) (12 U.S.C. 3351(a)(2)) pertaining to temporary practice and new paragraph (b) (12 U.S.C. 3351(b)) regarding reciprocity:

(2) *Fees for temporary practice.* A State appraiser certifying or licensing agency shall not impose excessive fees or burdensome requirements, as determined by the Appraisal Subcommittee, for temporary practice under this subsection.

* * * * *

(b) *Reciprocity.* The Appraisal Subcommittee shall encourage the States to develop reciprocity agreements that readily authorize appraisers who are licensed or certified in one State (and who are in good standing with their State appraiser certifying or licensing agency) to perform appraisals in other States.

The Senate Report to accompany S. 1275, issued on October 28, 1994, by the Senate Committee on Banking, Housing, and Urban Affairs, said:

The Committee's intent is to enable qualified appraisers to practice in a number of States without anticompetitive restrictions. S. Rep. No. 103-169, 103d Cong., 2d Sess. 53 (1994), *reprinted in* 1994 U.S. Code Cong. & Admin. News 1937.

Using this statement and the wording of the amendments, the ASC can define the ambiguous terms, "excessive fees" or "burdensome requirements," in new section 1122(a)(2), and can interpret how they fit into the ASC's existing enforcement powers in Title XI. The ASC also may determine the meaning and application of new paragraph (b) regarding reciprocity. The paragraph's language, however, limits the ASC's range of interpretation because it only requires the ASC to "encourage" the States to develop reciprocity agreements.

II. The September 1995 Notice Soliciting Comment

On September 12, 1995, the ASC published a notice in the Federal Register soliciting public comments on how it should implement section 315 of CDRIA. See 60 FR 47365. This notice, among other things, described Statements 5 and 6 of the ASC's August 4, 1993 Policy Statements Regarding State Certification and Licensing of Real Estate Appraisers, which respectively discussed temporary practice and reciprocity, described the then-current status of temporary practice and reciprocity and presented several alternatives for discussion and

comment. Temporary practice alternatives included the "universal drivers license approach," "specific standards" and "general standards." Reciprocity alternatives also included the drivers license approach, but separately discussed creating a Federal duty and requesting States to create and file plans with the ASC. For details regarding these approaches, see 60 FR 47365 (September 12, 1995). The ASC additionally requested comments on all aspects of implementing the new legislation and welcomed variations or combinations of the discussed alternatives or other alternatives. Finally, the ASC asked the following questions:

(1) In your view, what are the most serious impediments to temporary practice or reciprocity? Please provide your best estimates of their costs in time and money, if possible.

(2) Do you believe that these impediments warrant ASC action?

(3) Are any of the alternatives presented * * * especially well suited to removing the impediments, and what are your reasons for your choice?

(4) Do other alternatives exist? If so, please describe them.

The ASC received 46 comment letters in response to the Notice: 24 from individual appraisers; eight from trade associations; six from State agencies; five from financial institutions; two from individual real estate professionals; and one from a Federal agency.

The commenters agreed that serious impediments to temporary practice and reciprocity exist, and that those impediments warrant ASC action. In connection with temporary practice, the commenters noted that the most significant impediments were: the need for an out-of-State appraiser to obtain, and pay for, a "letter of good standing"; the need for States to obtain from out-of-State appraisers signed consent to local service forms; short time limits on the length of permits; the inability to receive extensions of time on permits; the granting of permits on a per property or time basis, rather than on a per assignment basis; and a general "protectionist" attitude on the part of some State agencies. Respecting reciprocity, the commenters pointed to the widespread lack of uniformity in State agency-approved education courses for initial certification or licensing and for continuing education purposes and the significant length of time often needed by States to process reciprocity applications.

A majority of the commenters supported adoption of the drivers license approach. Adopting this

approach, however, would necessarily require the ASC to pre-empt conflicting State statutes, regulations and practices. The ASC concluded that pre-emption would be inappropriate. Instead, the ASC has decided to propose for public comment, and perhaps subsequently adopt, this policy statement.

III. Conclusion

On the basis of the foregoing, the ASC is proposing for public comment a new policy entitled, *Policy Statement Respecting Temporary Practice and Reciprocity*, as set forth in the following appendix. If adopted, this Policy Statement would amend and supersede previous ASC guidance respecting temporary practice and reciprocity in ASC Policy Statements 5 and 6, which were published in August 1993.

Dated: October 15, 1996.

By the Appraisal Subcommittee.
Diana L. Garmus,
Chairperson.

Appendix A—Proposed Policy Statement

_____, 1996.

Policy Statement Respecting Temporary Practice and Reciprocity

This Policy Statement implements amendments to Section 1122(a) of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989. The amendments added subparagraph (2) (12 U.S.C. 3351(a)(2)) pertaining to temporary practice and paragraph (b) (12 U.S.C. 3351(b)) regarding reciprocity, which state:

(2) *Fees for temporary practice.* A State appraiser certifying or licensing agency shall not impose excessive fees or burdensome requirements, as determined by the Appraisal Subcommittee, for temporary practice under this subsection.

* * * * *

(b) *Reciprocity.* The Appraisal Subcommittee shall encourage the States to develop reciprocity agreements that readily authorize appraisers who are licensed or certified in one State (and who are in good standing with their State appraiser certifying or licensing agency) to perform appraisals in other States.

The Policy Statement amends and supersedes previous ASC guidance respecting temporary practice and reciprocity in ASC Policy Statements 5 and 6, which were published in August 1993.

I. Temporary Practice

Title XI requires a State appraiser regulatory agency ("State agency") to recognize on a temporary basis the certification or license of an appraiser from another State provided: (1) the property to be appraised is part of a Federally related transaction; (2) the appraiser's business is of a temporary nature; and (3) the appraiser registers with the State appraiser regulatory agency in the State of temporary practice.

Thus, a certified or licensed appraiser from State A, who has an assignment concerning a Federally related transaction in State B, has a statutory right to enter State B, register with the State agency in State B and perform the assignment. Title XI does not require State B to offer temporary practice to persons who are not certified or licensed appraisers, including appraiser assistants not under the direct supervision of an appraiser certified or licensed in State A.

Title XI also states that a State appraiser certifying or licensing agency shall not impose excessive fees or burdensome requirements, as determined by the ASC, for temporary practice. The ASC may consider the following fees, acts and practices of the State of temporary practice to be "excessive fees" or "burdensome requirements":

- Prohibiting temporary practice;
- Requiring temporary practitioners to obtain a permanent certification or license in the State of temporary practice;
- Taking more than five business days to issue a temporary practice permit (if issuance is required under State law) or to provide effective notice to the out-of-State appraiser regarding his or her temporary practice request;
- Requiring out-of-State appraisers requesting temporary practice to satisfy the host State's appraiser qualification requirements for certification which exceed the minimum required criteria for certification adopted by the Appraiser Qualification Board ("AQB");
- Imposing a time frame on out-of-State certified appraisers to complete an appraisal assignment in a federally related transaction;
- Limiting out-of-State certified appraisers to a single temporary practice permit per calendar year;
- Requiring temporary practitioners to affiliate with an in-State certified or licensed appraiser;
- Failing to take regulatory responsibility for a visiting appraiser's unethical, incompetent or fraudulent practices performed while within the State; and
- Charging temporary practice fees that impede temporary practice. The ASC will consider fees of \$150 or less as reasonable. The ASC may ask State agencies to justify temporary practice fees.

In addition, the ASC may consider fees, acts and practices of the certified or licensed appraiser's home State to be "excessive fees" or "burdensome requirements." For example, the practice of delaying the issuance of a written "letter of good standing" or similar document for more than five business days after the home State agency's receipt of the related request could be a "burdensome requirement."

This listing is not exclusive. The ASC may find other excessive fees or burdensome practices while performing its State agency monitoring functions. To help to avoid such an occurrence, the ASC favors that States issuing temporary practice permits use a "post card" temporary practice registration form to: (1) identify the appraiser; (2) provide the starting date of when the appraiser will be "in-State"; (3) obtain affirmations that the appraiser currently is not subject to any appraiser certification or licensure

disciplinary proceeding in any State, and that his or her license or certificate is fully valid; and (4) obtain the appraiser's consent to service in the State of temporary practice. The temporary practitioner would send the completed, signed and dated form to the State agency in the temporary practice State, together with the appropriate fee, and could send a copy to his or her home State agency. The appraiser would retain an exact copy for use in the State of temporary practice as evidence that the appraiser is eligible to perform the appraisal assignment. The ASC suggests that appraisers should be able to begin the appraisal assignment in the State of temporary practice immediately after the completed form and proper fee is irrevocably sent to that State's appraiser regulatory agency.

II. Reciprocity

Section 1122(b) of Title XI, 12 U.S.C. 3347(b), states that the ASC shall encourage the States to develop reciprocity agreements that readily authorize appraisers who are licensed or certified in one State (and who are in good standing with their State appraiser certifying or licensing agency) to perform appraisals in other States. Each State should work expeditiously and conscientiously with other States with a view toward satisfying the purposes of the statutory language. The ASC will monitor each State's progress and will encourage States to work out issues and difficulties whenever appropriate.

The ASC encourages States to enter into reciprocal agreements that, at a minimum, contain the following features:

- Accomplish reciprocity with at least all contiguous States. For States not sharing geographically contiguous borders with any other State, such as Alaska and Hawaii, those States should enter into reciprocity agreements with States that certify or license appraisers who perform a significant number of appraisals in the non-contiguous States;
- Eliminate the use of letters of good standing or similar documents;
- Readily accept other States' certifications and licenses without reexamining applicants' underlying education and experience, so long as the other State: (1) has appraiser qualification criteria that meet the minimum standards for certification and licensure as adopted by the AQB; and (2) uses appraiser certification or licensing examination that are AQB endorsed;
- Eliminate retesting, so long as the applicant has passed the appropriate AQB-endorsed appraiser certification and licensing examinations in the appraiser's home State;
- Recognize and accept successfully completed continuing education courses taken to qualify for license or certification renewal in the appraiser's home State; and
- Establish reciprocal licensing or certification fees identical in amount to the corresponding fees for home State appraisers.

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[FR Doc. 96-26933 Filed 10-18-96; 8:45 am]
BILLING CODE 6210-01-P

Community Reinvestment Act; Interagency Questions and Answers Regarding Community Reinvestment

AGENCY: Federal Financial Institutions Examination Council.

ACTION: Notice and request for comment.

SUMMARY: The Consumer Compliance Task Force of the Federal Financial Institutions Examination Council (FFIEC) is issuing Interagency Questions and Answers Regarding Community Reinvestment (Interagency Questions and Answers). To help financial institutions meet their responsibilities under the Community Reinvestment Act (CRA) and to increase public understanding of their CRA regulations, the staffs of the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (Board), the Federal Deposit Insurance Corporation (FDIC), and the Office of Thrift Supervision (OTS) (collectively, the "agencies") have prepared answers to the most frequently asked questions about community reinvestment. The Interagency Questions and Answers contain informal staff guidance for agency personnel, financial institutions, and the public.

DATES: Public comment is invited on a continuing basis.

ADDRESSES: Questions and comments may be sent to Joe M. Cleaver, Executive Secretary, Federal Financial Institutions Examination Council, 2100 Pennsylvania Avenue NW., Suite 200, Washington, DC 20037, or by facsimile transmission to (202) 634-6556.

FOR FURTHER INFORMATION CONTACT: OCC: Malloy Harris, National Bank Examiner, Consumer and Fiduciary Compliance Division, (202) 874-4446; or Margaret Hesse, Senior Attorney, Community and Consumer Law Division, (202) 874-5750, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219.

Board: Glenn E. Loney, Associate Director, Division of Consumer and Community Affairs, (202) 452-3585; or Robert deV. Frierson, Assistant General Counsel, Legal Division, (202) 452-3711, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

FDIC: Bobbie Jean Norris, Chief, Fair Lending Section, Division of Compliance and Consumer Affairs, (202) 942-3090; or Ann Hume Loikow, Counsel, Legal Division, (202) 898-3796, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

OTS: Theresa A. Stark, Project Manager, Compliance Policy, (202) 906-