Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 21, 2001

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Kurt West, Regulations Specialist
Division of Occupational Licensing
Department of Community and Economic Development
P.O. Box 110806
Juneau, AK 99811-0806

Dear Mr. West:

Thank you for the opportunity to review the proposed changes to Title 12 of the Alaska Administrative Code. We understand that the amendment, if adopted, would alter the fee structure for the Alaska real estate appraiser regulatory program, including an increase in the fee charged for courtesy (temporary) licensure.

As proposed, the fee for courtesy (temporary) licensure would increase from $100 to $250. Such an increase would make Alaska's courtesy (temporary) license fee inconsistent with Federal law. Section 1122(a) of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, prohibits States, among other things, from imposing excessive fees for temporary practice. Appraisal Subcommittee Policy Statement 5, *Temporary Practice*, establishes that a temporary practice fee above $150 is excessive. Further, as emphasized in our September 14, 1998 letter to Division Director Catherine Reardon, this fee needs to be imposed on an assignment basis, where "assignment" is defined as one or more appraisals prepared under one contract. We have enclosed, for your convenience, copies of Policy Statement 5 and our September 14, 1998 letter to Director Reardon.

The Department of Community and Economic Development needs to modify the proposed courtesy (temporary) license fee to an amount that does not conflict with Federal law. Additionally, the Department should take this opportunity to ensure that the fee is based on an "assignment" basis, as provided in Policy Statement 5.

Again, thank you for providing us an opportunity to review your proposal. Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director

cc: Catherine Reardon, Director

Enclosures