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Appraisal Subcommittee
Federal Financial Institutions Examination Council

VIA FACSIMILE

December 13, 2007

Steve MacSwain, Chairman
Alaska Certified Real Estate Appraisers Board
P.O. Box 110806
Juneau, Alaska 99811-0806

Dear Mr. MacSwain:

We received your December 8, 2007 email requesting written confirmation regarding the Appraisal Subcommittee's ("ASC") position on the need for Alaska to create a State Licensed classification. Specifically, you noted that persons from the real estate community back proposed legislation which, in part, would add the State Licensed classification to the Alaska Certified Real Estate Appraisers Board's enabling legislation ("Statute"). Those persons are basing their support for this legislation on the belief that Federal law requires States to implement the State Licensed credential. You believe that the legislation's supporters cite the ASC and/or the "National Appraisal Foundation" as having stated that the existing statute does not comply with the Appraiser Qualifications Board ("AQB") criteria or Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act on 1989, as amended ("Title XI").

As implemented by the AQB, Title XI recognizes three appraiser classifications, State Licensed, State Certified Residential, and State Certified General. The AQB created education, experience, and examination criteria for each credential level. Alaska chose not to create a State Licensed category.

Under Title XI, States are not required offer a State Licensed classification. Indeed, even if a State were to choose to have such a classification, the State would not be required to comply with the AQB's recommended licensing qualifications criteria. In short, under Title XI, State Licensed credentials are voluntary. If a State chooses to offer that credential, however, the State's program for qualifying and supervising licensed appraisers would need to be "meaningful." For your information, we have attached ASC Policy Statement 2. Please refer to paragraph B. That paragraph describes the ASC position regarding the manner in which States may implement State Licensing classifications.

As you know, we conducted a field review of the Alaska Certified Real Estate Appraisers Board and Appraiser regulatory program on May 22-23, 2007. Our August 8, 2007 field review letter cited several concerns, none of which, however, involved the State's lack of a State Licensed classification or a failure to be properly prepared for the AQB criteria changes that will

become effective on January 1, 2008.

Please contact us if you have further questions.

Sincerely,

Marc L. Weinberg
Acting Executive Director
& General Counsel

cc: Jan Mays, Licensing Examiner