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Appraisal Subcommittee

Federal Financial Institutions Examination Council

April 7, 2000

Edwin W. Baker
Executive Vice President
American Society of Appraisers
P.O. Box 17265
Washington, DC 20041-2228

Dear Mr. Baker:

Thank you for your March 21, 2000 letter in which you requested that we “inform both the Kansas State Senate Assessment and Taxation Committee and Revisor of Statutes of the State of Kansas that the requirements for an MAI designated appraiser and membership in the Appraisal Institute be deleted from [Kansas State 2000] House Bill 2715 as it may be counter to federal legislation [*i.e.*, § 1122(c) of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”).” The last sentence of House Bill 2715 states that “[t]he assistant director of property valuation for use value appraisal of land devoted to agricultural use shall be a member in good standing of the Appraisal Institute, meet the requirements of, and maintain the designation of MAI, and have extensive experience in use value appraisal of land devoted to agricultural use.”

We agree that, if House Bill 2715 were enacted into law, it would exclude from appointment to this State government position everyone other than Appraisal Institute MAI members. And, we agree that Title XI and Appraisal Subcommittee (“ASC”) *Policy Statement 7, Prohibition Against Discrimination* prohibit that kind of discrimination when federally regulated financial institutions consider appraisers for appraisal assignments. The Policy Statement also states that “such discrimination is inappropriate in the establishment and administration of a States [appraiser] certification and licensing system.” The ASC urged States to prohibit those practices.

Nevertheless, House Bill 2715 appears not to relate to appraisals performed by regulated financial institutions or Kansas’ real estate appraiser regulatory program. Therefore, while we agree that House Bill 2715 appears inconsistent with the spirit of Title XI, the ASC does not have the authority to take the actions that you request.

Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director