



**GEORGIA
REAL ESTATE
APPRAISERS BOARD**

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March 13, 1998
Mr. Ben Henson
Appraisal Subcommittee
2100 Pennsylvania Avenue, N. W.
Suite 200
Washington, D. C. 20037

Dear Mr. Henson

At the Savannah meeting of AARO this week, you indicated that the Appraisal Subcommittee has adopted a position that any initial licensing period of greater than 13 months would require a \$50.00 payment for the Federal Registry. The Board would appreciate your requesting the ASC to reconsider that position. In Georgia, initial classification periods are determined under the following formula:

Whenever an individual applicant activates an original appraiser classification, that applicant shall pay an activation fee which will cover all fees due the Board until the last day of the month of the applicant's month of birth in the calendar year following the calendar year in which the applicant first becomes classified.

That formula means that the initial licensing period for the appraiser may be as short as one month or as long as 23 months. Consider these examples:

1. An appraiser's whose birthday is in January applies for a classification in December of 1998. His initial fee (Georgia's fee and the Federal Registry fee) covers the period only from the date of issuance in December until January 31 of 1999. In January of 1999 he will be required to pay a renewal fee and another Federal Registry fee.
2. An individual whose birth month is December applies for a classification in January of 1998. His initial fee

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(Georgia's fee and the Federal Registry fee) covers the period from January 1998 until December of 1999. His first renewal will be due in December of 1999 at which time he will pay a renewal fee and another Federal Registry fee.

In the first example less than two months will separate the payment of the fees and in the second example 23 months will separate the payment of the fees. However, in both of these instances a \$25.00 will be collected from each applicant every calendar year. Thus, we do not believe that Georgia's system results in any loss of revenue to the Federal Registry.

However, if Georgia must adhere to the ASC's 13 month standard, it will prove administratively burdensome to the agency and unfair to appraisers. The 13 month standard will prove administratively burdensome because if we were to change our initial classification period to comply with your 13 month standard, we would lose the benefit of having our renewal process spread out over the year and would eventually suffer from unnecessary peaks and valleys in workload. Alternatively, if we sought to adjust to the 13 month standard by charging example 1. above \$25.00 upon original application and example 2. above \$50.00 on original application, we would lose the simplicity of the same fee schedule for all applicants.

Similarly, the 13 month standard is unfair to appraisers. If we apply the ASC's 13 month standard to our initial classification, example 2. above would pay \$75.00 in two years while example 1. above pays only \$50.00.

Georgia's system yields the ASC's \$25.00 per appraiser every calendar year. We believe that our system meets the letter and spirit of the Federal Registry requirement. Therefore, we urge the ASC to continue to accept Georgia's submissions as it has in prior years.

Please let me know if I can supply further information or assistance to you regarding this matter.

Sincerely



Charles Clark
Real Estate Commissioner

CC: wjs