

Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 22, 2005

R. Wayne Pugh, Chairman
Louisiana Real Estate Appraisers Board
5222 Summa Court
Baton Rouge, Louisiana 70809

Dear Mr. Pugh:

The purpose of this letter is to confirm telephone conversations between myself and representatives of the Louisiana Real Estate Appraisers Board (“Board”) on September 19 and September 21, 2005. The subject of the telephone conversations was the effect of Hurricane Katrina on Louisiana’s appraiser regulatory program.

Louisiana has a two-year continuing education cycle that runs concurrently with its two-year appraiser credential cycle. Approximately one half of Louisiana’s certified and licensed appraiser credentials expire on December 31st each year. The Board expressed concern that, as a result of Hurricane Katrina, many appraisers whose credentials are due for renewal at the end of this year have lost all records, paper and/or electronic, supporting that they had successfully met some or all of their continuing education requirements. Additionally, you informed me that three of Louisiana’s five major appraisal education providers were located in New Orleans and are effectively out of business for the near future. The Board wishes to be proactive and provide relief to appraisers affected by the hurricane.

The Board desires to waive continuing education requirements for appraisers renewing credentials effective December 31, 2005. The waiver would apply only to appraisers who reside in Louisiana parishes included in the “major disaster area” designated by the Federal Emergency Management Agency.

After discussing this issue with our General Counsel, we determined that continuing education is a requirement established by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”). As such, neither the Board nor the ASC has the authority to waive that requirement. However, ASC staff will recommend to the ASC that it not take exception to the Board waiving the requirement for appraisers residing in the major disaster area parishes to *document* that they have met the applicable continuing education requirements for renewal.

Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director