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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

July 19, 2002

Rodger Fitzwater, Executive Director  
Missouri Real Estate Appraisers Commission  
P.O. Box 1335  
Jefferson City, MO 65102-1335

Dear Mr. Fitzwater:

Thank you for providing your draft statutory amendments for our review. We have completed that review and, generally, believe that the amendments are consistent with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”). We have the following comments:

§ 339.503(g) “appraiser qualifications board”: Change “recommends” to “establishes” and add after “state licensing” the phrase, “and certification.” This section needs to include the Appraiser Qualification’s Board’s (“AQB”) recommended criteria for licensing *and* the AQB’s required criteria for certification;

§ 339.506 2.: The Federal financial institutions regulatory agencies’ appraiser regulations permit State certified residential appraisers to perform appraisals in connection with non-complex, commercial federally related transactions valued at \$250,000 or less. Please consider modifying the scope of practice in this subsection to conform to Federal practice;

§ 339.517 2.: The commission is authorized to adopt rules that may require that some or all qualifying experience in real estate appraising be obtained on appraisals of real estate located in Missouri. We urge you not to adopt this section because, if implemented, it could hinder reciprocity. We are required to encourage reciprocity under Title XI and ASC Policy Statement 6;

§ 339.519 3.: We are commenting on this subsection even though this particular language is not being amended. Minimum continuing education requirements for certified appraisers are established by the AQB. The commission, for certified appraisers, cannot waive these minimum continuing education requirements for disabled persons or for any other cause;

§ 339.525 2.: We are commenting on this subsection even though this particular language is not being amended. This provision allows the commission to extend a certified appraiser’s period of credentialing for up to six months when the appraiser fails to meet renewal requirements “through mistake, misunderstanding, or circumstances beyond the appraiser’s control.” This provision needs to be eliminated or clarify that such an extension would not be granted for failure to meet AQB Criteria. AQB criteria does not recognize such an extension and, for certified appraisers, is mandated by Title XI; and

§ 339.530 4.: We are commenting on this subsection even though this particular language is not being amended. This provision requires the commission to give favorable treatment to continuing education courses “developed by or under the auspices of professional appraisal

organizations and utilized by those associations for the purposes of designation, certification, licensure, recertification or relicensure of the members of the association.” We strongly urge you to remove this provision because it is inconsistent with ASC Policy Statement 7. Title XI and the Federal financial institutions regulatory agencies prohibit federally regulated financial institutions from excluding appraisers from consideration for an assignment solely by virtue of their membership, or lack of membership, in any appraisal organization. ASC Policy Statement 7 states that such discrimination also is inappropriate in the establishment and administration of State certification and licensing programs. And, specifically, the ASC recommended that States avoid discriminatory practices regarding appraiser educational course providers and review their internal procedures and take steps to ensure that all educational providers are afforded equal treatment in all respects.

Thank you for the opportunity to provide our comments. Please contact us if you have further questions.

Sincerely,

Ben Henson  
Executive Director