

January 24, 2002

Mr. Marc Weinberg, General Counsel  
Appraisal Subcommittee  
2000 K St. NW, Suite 310  
Washington, DC 20006-1809

Dear Mr. Weinberg:

As you know, the State Board of Real Estate Appraisers in Montana has been in litigation with several appraisers for the past two years. During that time, the board had made the decision to place all complaint proceedings on hold. Recently, however we have decided that we must go forward with the complaints currently in process that do not directly involve the litigants. Therefore, on January 30, 2002 we will hold a screening panel meeting to once again start our process for resolving these complaints.

Our board, along with all other boards in the state was recently transferred from the oversight of the State Dept. of Commerce to the State Dept. of Labor. Following this transfer, I met with the chief counsel for the Department of Labor, Mr. Kevin Braun, and was informed that it was their belief that our board should only proceed with these complaints if we were to process them under the 1991 issue of USPAP. This opinion is due to a section of our state law that indicates that the board should adopt annually each issue of USPAP, which has not been properly completed in their opinion. As this is one of the issues in the lawsuit, there appears to be an abundance of caution being taken at present.

Which brings me to my question. Would the Appraisal Subcommittee have a problem with us going forward in pursuing these complaints under the 1991 issue of USPAP? The other option given us by Mr. Braun was the dismissal of all complaints brought forward to date, which I was certain that the Subcommittee would not look favorably upon. I apologize for the short notice regarding my question, as we need an answer prior to our meeting on the 30<sup>th</sup>. However, we are attempting to comply with not only the Subcommittee's procedures, but the State Department of Labor's as well. We are committed to proceeding with the conclusion of our open complaints, however we would like to ensure that we remain in compliance with the appropriate rules and standards while doing so.

Sincerely,

Tim J. Moore, Chairman  
State of Montana Board of Real Estate Appraisers