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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 19, 2007

[DELETION]

Dear Ms. [DELETION]:

Thank you for your letter of February 14, 2007, to the Appraisal Standards Board of the Appraisal Foundation. The Foundation forwarded your letter to us for response because the subject matter falls within our purview.

In your letter, you outlined how your son, who is hearing impaired, has been adversely affected by Montana's decision to no longer have reciprocity agreements with neighboring States. While we understand your concerns, there is nothing in Federal law that would require Montana to change its decision to cancel all reciprocity agreements.

The only Federal law that relates to reciprocity regarding State licensed and certified appraisers is Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, ("Title XI"). Under Title XI, the Appraisal Subcommittee ("ASC") is obligated to encourage, but not require, the establishment of reciprocity agreements among States. We, therefore, are not authorized to require Montana to revisit, modify, or rescind its decision to cancel its reciprocity agreements with other States. As a result, Montana State law will guide whether the decision of the Montana Board of Real Estate Appraisers is lawful, fair, and appropriate.

Please contact us if you have further questions.

Sincerely,

Marc Weinberg
Acting Executive Director and
General Counsel

cc: David Bunton, President, Appraisal Foundation