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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

January 4, 2005

[DELETION]

Dear Mr. [DELETION]:

Thank you for your December 16, 2004 letter stating your concerns about the Montana Board of Real Estate Appraisers (“Board”) accepting complaints of appraiser misconduct from anonymous sources.

In your letter, you ask us to recommend changes in the State’s complaint process that “would preclude any action on anonymous complaints, reject all anonymous complaints, and institute a disciplinary process for complaints filed by competitors that lead to an unfounded case.”

We cannot grant your request. In general, our oversight authority regarding State appraiser regulatory programs is focused, among other things, on whether those programs recognize and enforce the standards, requirements, and procedures prescribed pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, (“Title XI”), and whether a State’s decisions concerning appraisal standards, appraiser qualifications, and supervision of appraiser practices are made in a manner that carries out the purposes of Title XI. In performing our oversight duties, we determine whether a State appraiser regulatory program, as a whole, is consistent with Title XI; we do not require States to conform to any specific method of accepting complaints of appraiser misconduct. We view a State’s decision to accept, or not accept, complaints from anonymous sources as one solely within the State’s discretion.

We will retain your letter and will consider your comments during our next regularly scheduled review of Montana’s appraiser regulatory program.

Please contact us if you have any further questions.

Sincerely,

Ben Henson  
Executive Director