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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 30, 2001

Julie Burkart, President
Nevada Commission of Real Estate Appraisers
Department of Business and Industry
788 Fairview Drive, Suite 200
Carson City, NV 89701-5453

Dear Ms. Burkart:

Thank you for the opportunity to comment on Senate Bill Number 307 ("Bill"). If enacted, the Bill would require the Nevada Commission of Real Estate Appraisers ("Commission") to hire an appraisal investigator. We believe that employment of an appraisal investigator to assist the real estate division in investigating complaints of appraiser misconduct would assist the Commission in meeting its obligations under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI").

As noted in our June 26, 2000 field review letter, Title XI requires State appraiser regulatory agencies to supervise their certified and licensed appraisers, including the disposition of appraiser-related complaints promptly and effectively. At the time of our field review, Nevada had a significant backlog of open complaints that, on average, were more than a year old. This situation, in all likelihood, would be exacerbated by an anticipated increase in the number and complexity of complaints. We noted in our letter that, at a minimum, additional investigative resources were needed.

Passage of the Bill would be one step towards reducing the case backlog and meeting future caseload burdens. We have seen instances where adding investigative resources has enabled a State to improve the timeliness and effectiveness of its enforcement process. Texas, for example, hired a staff investigator, and its enforcement program improved dramatically, with complaints being fairly and equitably disposed much more quickly.

Again, thank you for providing us with a copy of the proposed amendment. Please contact us with any questions regarding our comments.

Sincerely,

Ben Henson
Executive Director

cc: Brenda Kindred-Kipling, Appraisal Officer
Joan Buchanan, Administrator, Real Estate Division