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Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 7, 2007

The Hon. Henry E. Brown, Jr.
Member of Congress
House of Representatives
Washington, DC 20515-4001

Dear Congressman Brown:

Thank you for your January 26, 2007 letter regarding your constituent, [DELETION]. In your letter, you stated that [DELETION] was a real estate appraiser in South Carolina who was diagnosed with cancer in 2003, and was unable to renew his license at that time. In reviewing his National Registry records, we learned that [DELETION] was a certified residential real estate appraiser from August 3, 1994, until his certification expired on June 30, 2003. [DELETION] now wishes to return to work, but the South Carolina Real Estate Appraisers Board ("Board") has informed him that he must take appropriate continuing education courses to qualify for reinstatement. [DELETION] believes that these courses are unnecessary due to his educational background and his experience. On his behalf, you have requested that the Appraisal Subcommittee ("ASC") review his situation.

We appreciate [DELETION]'s situation and wish him good health in the future. We, however, cannot grant relief from his need to take necessary education courses. Under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"), South Carolina and all other States must conform to the Appraiser Qualifications Board's ("AQB") certified appraiser qualifications criteria. In general, persons who wish to earn a certified credential must meet minimum specified education, experience, and examination qualification requirements. Renewing certified appraisers must meet specific continuing education requirements. South Carolina, like all States, must ensure that persons wishing to become certified appraisers or wishing to renew their certified appraiser credentials must meet those AQB criteria.

When a certified appraiser applies to a State to reactivate a credential that has expired, the State generally has two options in how to approach the reactivation. These options are based on a combination of Federal law (*i.e.*, Title XI), State law, and AQB criteria. Depending on the circumstances, the State may require the appraiser to re-qualify as if he or she had never held an appraiser credential. Or, the State may allow the appraiser to reactivate the credential by providing documentation supporting the completion of the necessary hours of continuing education. It appears that this is the option that the South Carolina Board has determined applies in [DELETION]'s situation.

AQB criteria require certified appraisers to complete at least 14 hours of continuing education per year. [DELETION] will have to earn the necessary continuing education before the South Carolina Board will reinstate his certified residential credential.

The AQB requires continuing education to ensure that the appraiser maintains or increases his or her skill, knowledge, and competency in real estate appraising. Changes in the profession's practice standards and qualifications are frequent and far reaching. Continuing education is crucial to ensure that appraisers remain competent to perform appraisals in connection with federally related transactions and real estate related financial transactions where the services of a State certified appraiser is required by Federal law.

We wish [DELETION] well, but we are not able grant the relief that he requests.

Please contact us if you have further questions.

Sincerely,

Marc L Weinberg
General Counsel

cc: Ben Henson, ASC Executive Director