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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 9, 1998

James D. Brown, MAI
James Brown & Associates, Inc.
2765 12th Street S.E.
P.O. Box 4344
Salem, OR 97302-5969

Dear Mr. Brown:

Thank you for your December 15, 1997 letter following up our previous correspondence regarding temporary practice for State certified or licensed real estate appraisers. In your letter, you strongly recommend that reciprocity, without arcane State requirements, be implemented now. Please excuse our delay in responding to your letter.

We understand and share your concern. The Appraisal Subcommittee ("ASC") adopted Policy Statement 6 regarding reciprocity, which is enclosed for your information. That Policy encourages States to:

- Accomplish reciprocity with at least all contiguous States;
- Readily accept other States' certifications and licenses without reexamining applicants' underlying education and experience;
- Eliminate retesting, provided that the applicant has passed the appropriate Appraiser Qualifications Board-endorsed appraiser certification and licensing examinations in the appraiser's home State;
- Recognize and accept successfully completed continuing education courses taken to qualify for license or certification renewal in the appraiser's home State; and
- Establish reciprocal licensing or certification fees identical in amount to the corresponding fees for in-State appraisers.

The ASC is limited by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, 12 U.S.C. 3347(b), ("Title XI") to encourage [ing] the States to develop reciprocity agreements. We are not authorized to require States to implement reciprocity. The ASC, like other Federal agencies, can only act within its statutory authority. Only Congress can authorize the ASC to place specific requirements on State reciprocity programs.

We will continue our efforts in this area, consistent with our authority under Title XI. If you have any further questions, please do not hesitate to contact us.

Sincerely,



Ben Henson
Executive Director

Enclosure