



# STATE OF INDIANA

FRANK O'BANNON, Governor

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Appraisal Subcommittee  
Federal Financial Institutions  
Examination Council  
2100 Pennsylvania Avenue, Suite 200  
Washington, DC 20037

Dear Chairperson Yolles and Members:

The Indiana Real Estate Appraiser Licensure and Certification Board (Board) welcomes the opportunity to respond to the Appraisal Subcommittee's "review report" dated August 14, 1998.

We appreciate the report's acknowledgment that overall our "regulatory program" is effective, our enforcement program is highly efficient, and that our complaint files are well documented and resolved swiftly. Furthermore, we gather satisfaction from the fact that the Subcommittee is pleased with our policy to accept C.E. approved by other jurisdictions and our ability to discipline an Indiana licensee based on disciplinary action taken by another jurisdiction (state).

The Board would like to clarify our position in regard to areas where the report noted a need for attention. The stated concern and response to each item in the report are as follows:

- *Indiana has not submitted information to the ASC regarding disciplinary actions taken by the Board.*

The Board's staff has now been instructed to send all "Final Orders" of the Board in regard to the disciplinary action taken by the Board to the ASC. We believe this procedure will satisfy ASC Policy Statement #9 and will keep everyone updated on all disciplinary action taken by the Indiana Board.

- *A complaint filed against a Board Member may not have been resolved in a manner consistent with similar complaints.*

The Indiana Appraiser Board and the Indiana Attorney General's Office jointly take offense to the Report regarding this matter. It is apparent that the ASC is either questioning the integrity of both the Board and the Attorney General's office or that you misunderstand our state's process for investigating a complaint.

The Board wants to go on record to the Subcommittee that this case [Deletion] was treated exactly and completely as it should have been under Indiana law. In this state, the Attorney General's office receives the complaint, not the Board. It is the Attorney General's responsibility to determine the legal merit of any and all complaints. The deputy Attorney General assigned to this case contacted the duly appointed liaison of the Board for complaints and together they completed an exhaustive review of the complaint. It was the determination of the Attorney General's office that in fact, no Indiana law was violated or compromised in any fashion. To bring a complaint lacking legal merit before the Board in a public setting would be in opposition to Indiana law, common sense and any principles of fair and equitable treatment.

Furthermore, when this question came up by a member of the ASC review team, they told the investigating liaison member that they would contact him in regard to this concern. No contact was ever made in an attempt to clarify this issue.

The Attorney General's office stands completely and without reservation behind the previous decision and has no intention of reopening this case.

- *Indiana does not have reciprocal agreements.*

The Board's planning a review of this issue during the next six months. Rule changes are possible, but there is a general concern for making sure that standards are not lower for out-of-state applicants than they are for instate applicants. Indiana already accepts the passing examination scores taken in other jurisdictions, so the issue is education and experience. I am confident that this Board would support reciprocity agreements with other states that have substantially equal requirements.

- *Indiana regulations do not recognize USPAP Standards 6-10.*

The Board, in conjunction with the Attorney General's office, will be reviewing this topic as they move through the adoption process for the 1999 USPAP Standards. While all of the Standards 6 - 10 will be reviewed for possible incorporation, special attention will be given to Standard 6 as it pertains to mass appraisals.

- *The Real Estate Commission must approve Board regulations.*

The Board appreciates your concern on this matter. To date, there has been no attempt by the Real Estate Commission to exert undue pressure of this Board. You can be assured that any effort made by any entity to obstruct this Board's responsibility to abide by Title XI will not be tolerated.

The Real Estate Commission and this Board has an independent and respectful relationship. Should this relationship deteriorate to the point of hindering this Board's mission, the ASC will be notified.

- *It appears that the Program does not receive adequate funding for training and educational purposes.*

The Board is one of thirteen boards and commissions under the Indiana Licensing Agency's umbrella. The budget is not broken down by individual boards nor is it impacted by revenue (fees). The Indiana General Assembly passes the budget after gathering input from the Agency and the State Budget Agency.

While *Indiana* has a healthy budget surplus, it remains a very fiscally conservative state. The Board has a current annual out-of-state travel budget of \$1,000. We will continue to request additional funds for travel. Until then, we will attend when possible and use other methods of communication to stay abreast of current regulatory issues.

*Temporary practice applications do not identify the property to be appraised.*

The Board and the Agency are currently working on a revised application that would require the temporary permit to practice applicant to identify the property, the general information regarding the assignment and other pertinent details. This new application process should clarify for the Board and the out-of-state permit holder exactly what assignment the permit holder is approved to be working on.

The Indiana Real Estate Appraiser Licensure and Certification Board is both hopeful and confident that we have addressed ail of the Appraisal Subcommittee's concerns. We are committed to our mission of protecting the citizens of Indiana and to that end, are grateful for your constructive recommendations for improvement.

For the Board,

Barbara Wolff, Chairperson  
Indiana Real Estate Appraiser Licensure  
and Certification Board