



State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS
STATE BOARD OF CERTIFICATION

M. J. "MIKE" FOSTER
GOVERNOR

November 24, 1998

Herbert S. Yolles
Chairman
Appraisal Subcommittee
2000 K Street, Suite 3 10
Washington, DC 20006

Dear Mr. Yolles:

The following information is provided in response to your letter of November 2, 1998 relative to the Subcommittee's concerns regarding Louisiana's appraiser certification/enforcement program.

The Board agrees with your observation that our staff and investigators are doing an excellent job and have corrected the minor reporting and record keeping discrepancies noted in your 1997 field review.

However, the Board disagrees with your statement that we continue to be inconsistent in enforcing penalties and pursuing serious violations of the law. We believe that our hearings have been conducted fairly and according to law and that our penalties have been appropriate after we have listened to the evidence presented by both sides.

We also believe that we have acted in good faith in responding to all concerns previously noted by the Subcommittee in its 1997 review, as you can see from the following answers to the three bullet items in your letter of November 2, 1998.

Because of the nature of your comments regarding enforcement action taken by the Board, we are requesting that you furnish us with a list of what you consider "serious violations", and also what you consider to be appropriate sanctions or penalties for each of those violations. In addition, it would be helpful if you could provide us with specific examples from your field reviews, wherein the Appraisal Subcommittee determined that the Board failed to take appropriate action.

We are drafting legislation to provide for fines as part of the penalty phase of our law. It would be helpful if you would provide any information you may have regarding fines for specific offenses and how they are administered. Proposed legislation must be in final draft form by February 1999; therefore, your response to our requests for clarification and recommendations for appropriate sanctions of serious violations and the levying of fines for less than serious violations must be received for review two weeks prior to our January 25, 1999 Board meeting.

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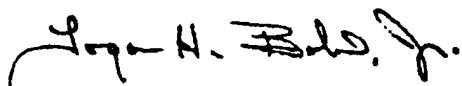
Your November 2, 1998 letter states that to "minimize misunderstandings during the development and processing of application and enforcement cases and ensure appropriate handling of those cases, the Board, with the aid of staff legal counsel, must establish written enforcement policies and procedures." I am unable to understand the reason for this mandate. We had written enforcement policies and procedures in effect prior to your 1997 review and continue to have them. If there is something that I am missing in my interpretation of your meaning, please advise.

It was also recommended that the Board may wish to consider the following:

- **Delegating the application processing to the Board Administrator, who must develop procedures acceptable to the Board;**
The Board has revised its review procedure and does not intend to delegate the review of experience credit applications to staff.
- **Assigning one Board member, who may later recuse him or herself from the hearing process, for each case that requires technical assistance to the investigative staff,**
For the past year, it has been a practice of this Board to appoint one member for each case requiring technical assistance.
- **Ceasing the wholesale review of enforcement and application files during Board meetings. Rather, staff or one or more Board member should be appointed to examine files prior to the meeting and then present summaries to the Board.**
At its July 20, 1998 business meeting, the Board voted to revise the review process. Applications are now reviewed by individual Board members, who then present a summary of their findings to the Board. This process has eliminated problems previously encountered by the Board and/or staff with regard to exparte communication.

The Board appreciates the constructive criticism offered as a result of your on-site review of our certification program's enforcement procedures on September 29-30, 1998. We look forward to receiving the requesting information and working with the Subcommittee to improve Louisiana's appraiser certification/enforcement program.

Sincerely,



Logan H. Babin, Jr.
Chairman

LHBjr/ahb