



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Business Regulation
OFFICE OF LEGAL COUNSEL
233 Richmond Street, Suite 235
Providence, RI 02903 - 4237
(401) - 222-5400
T.D.D.# 222-2999
FAX: (401) 222-5408

JUN - 4

May 31, 2001

Mr. Thomas E. Watson, Jr.
Chairman, Appraisal Subcommittee
Federal Financial Institutions Examination Council
2000 K Street, NW
Suite 310
Washington, DC 20006

**RE: April 4, 2001 Letter Regarding Review of Rhode Island Appraiser
Regulatory Program**

Dear Mr. Watson:

I am writing on behalf of the Rhode Island Department of Business Regulation ("Department") and the Rhode Island Real Estate Appraisal Board ("Board") in response to your letter dated April 4, 2001. The Board and the Department have reviewed your recommendations regarding temporary practice. The Board has voted to modify the temporary practice regulations to be consistent with Title XI and ASC Policy Statement 5 by issuing the temporary practice pen-nits for six (6) months and limiting the total fees to one hundred fifty dollars (\$150). Prior to finalizing adoption of the regulation, the Department will have to provide notice and hearing of the change to the regulation in conformance with R.I. Gen. Laws § 42-35-1 *et seq.*, the Rhode Island Administrative Procedures Act. The Department will be issuing notice of the proposed amendments to its Real Estate Appraisal Regulations within the next ninety (90) days.

With regard to your comments on continuances for continuing education compliance, it is necessary to clarify the statutory authority in R.I. Gen. Laws § 5-20.717. I have attached a copy of that section of the statute for your review. After a closer review of the statute, it appears the Department may not have the authority to grant extensions of time to allow completion of continuing education requirements under subsections (a) and (b).

R.I. Gen. Laws § 5-20.7-17(c)(3) provides that the Director for good cause may renew, for a period not to exceed six (6) months, the license or certificate of an individual

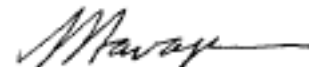
pending review of the applicant's qualifications by the Board and Department. That subsection of the statute however, only relates to a specific circumstance in which a licensee has failed to complete their continuing education requirement under R.I. Gen. Laws § 5-20.7-17 (b) and is seeking compliance by satisfying two alternatives to pre-approved continuing education courses pursuant to R.I. Gen. Laws § 5-20.7-17(c)(1) and/or (2).

Since R.I. Gen. Laws § 5-20.7-17(c)(3) only allows the Director of the Department to renew, for good cause, a license while a review of alternative submissions of continuing education under R.I. Gen. Laws § 5-20.7-17(c)(1) or (2) are pending, the Department is only authorized to consider extensions (or renewals of licenses without continuing education requirements being approved) if a licensee has submitted these proposed alternative continuing education requirements prior to the expiration of the license. This extension was probably enacted by the Rhode Island legislature in order to afford the Board, which meets only once a month, an opportunity to review these alternative continuing education submissions and make a recommendation to the Director whether the alternative continuing education submissions under R.I. Gen. Laws § 5-20.7-17(c)(1) or (2) meet criteria for adequate continuing education requirements. The Board and Department are aware of the potential conflict with Title XI and will conform to all requirements that limit extending the continuing education period.

As we discussed, the Board is also concerned about affording individuals with disabilities and/or other good cause an opportunity to fulfill continuing education requirements within a reasonable time period given the extenuating circumstance. In that regard, I will be submitting a letter to Mr. Arlen Mills of the Appraisal Qualifications Board inquiring about any allowances for those types of issues under Title XI.

Thank you for your assistance in this matter and please contact me if you have any questions and/or concerns.

Very truly yours



Neena Sinha Savage

Enclosure

cc: Marilyn Shannon McConaghy, Director
Jeffrey J. Greer, Esq., Associate Director of Commercial Licensing & Regulation
Valerie Voccio, Real Estate Administrator
Real Estate Appraisal Board