

■ ■ ■ ■ ■ ■

Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 6, 2000

Debra Runyon, Chair
Texas Appraiser Licensing and Certification Board
P.O. Box 12188
Austin, TX 78711-2188

Dear Ms. Runyon:

Thank you for your August 24, 2000 letter responding to our June 26th field review letter. We reviewed your remarks and appreciate your comments and cooperation. To address our concern regarding Texas' temporary practice provisions, we understand that you propose to amend your pertinent regulations in the following manner:

- Upon application approval, an appraiser would be issued a temporary practice permit valid for 60 days (as provided in Texas statute);
- Accompanying the temporary practice permit would be a "blank" one page extension form;
- Upon faxing the extension form to the Texas Appraiser Licensing and Certification Board ("TALCB"), the appraiser would obtain an "automatic" 150-day extension; and
- There would not be a fee associated with the extension.

As noted in your letter, our intent in ASC Policy Statement 5 is to ensure that a State's temporary practice provisions are not burdensome and do not impose excessive fees. We have defined, among other provisions, that to limit a temporary practice permit to less than six months is burdensome. We have determined, further, that failure to offer at least one easy extension to that six-month period is burdensome. You propose to meet these requirements by combining a 60-day initial period with an "automatic" 150-day extension, totaling seven months. Your proposal could meet Policy Statement 5's requirements provided:

- The one page extension form is completed by TALCB with all necessary information except the appraiser's signature. Thus, the only actions that the appraiser would need to take would be to sign the extension form and fax it;
- The fax confirmation sheet printed by the appraiser's fax machine would serve as the appraiser's record that the extension had been granted. This fact should be included in the instructions provided to the appraiser on or with the extension form;
- The extension truly is automatic. No action need be taken by TALCB other than receipt of the form; and
- TALCB retains the received form as part of its records.

Please keep us apprised of the status of any proposed amendments to Texas' appraisal regulations resulting from our comments and notify us, in writing, as they are adopted. We would be happy to review any proposed regulatory amendments and extension form drafts for compliance with Policy Statement 5.

Please let us know if you have any additional questions.

Sincerely,

Ben Henson
Executive Director