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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 21, 2001

Ted Boyer, Executive Director
Utah Department of Commerce
P.O. Box 146711
Salt Lake City, UT 84114-6711

Dear Mr. Boyer:

Thank you for your March 6, 2001 response to our February 1st field review letter. We appreciate that the Utah State Appraiser Licensing and Certification Board (“Board”) rescinded its policy of awarding 28 hours of continuing education credit to appraisers supervising trainees. We also are pleased to learn that legislation permitting State Licensed appraisers to appraise property for federally related transactions passed both Utah legislative houses and should be enacted shortly.

The forthcoming passage of legislation authorizing the scope of practice change for Licensed appraisers causes another issue to resurface. You may recall that, during our review, we questioned the 1999 legislative provision that “grandfathered” eight “senior appraisers” into the Licensed classification. We understand that these individuals were not required to demonstrate appraisal education and experience, or take an examination, prior to obtaining the Senior Certified and now the Licensed designation. During our review, we determined that this issue was moot because Utah’s Licensed appraisers were not eligible to appraise in Federally related transactions (“FRTs”).

We are concerned that users of appraisal services and other States may perceive that all Utah Licensed appraisers have met the Appraiser Qualifications Board criteria and mistakenly use or grant temporary practice or reciprocity to these grandfathered appraisers. Please explain how you plan to address this concern.

Again, thank you for so promptly and decisively addressing our concerns. Please provide a response to the Licensed issue discussed above by May 31, 2001. Do not hesitate to contact us if you have further questions.

Sincerely,

Ben Henson
Executive Director

cc: Jerry Webber, Chair
Utah State Appraiser Licensing and
Certification Board