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Appraisal Subcommittee
Federal Financial Institutions Examination Council

ANNUAL REPORT 1992

Letter of Transmittal

January 31, 1993

The Appraisal Subcommittee of the
Federal Financial Institutions Examination Council
Washington, D.C. 20037

The President of the Senate
The Speaker of the House of Representatives

Pursuant to Section 1103 of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3310), I am pleased to submit the 1992 Annual Report of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

Sincerely,



Fred D. Finke
Chairman

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Message from the Chairman

1992 was a year of continuing progress towards implementing the national scheme of appraisal regulation envisioned by Title XI of FIRREA. Actions taken by the Appraisal Subcommittee ("ASC") of the Federal Financial Institution Examination Council ("FFIEC"), the States, the Appraisal Foundation ("Foundation") and its Appraiser Qualifications Board ("AQB") and Appraisal Standards Board ("ASB"), and the Federal financial institutions regulatory agencies ("Agencies") all have contributed to this progress.

More than 66,000 real estate appraisers have been either licensed or certified by the States. The AQB has established minimum standards for certified appraisers and has endorsed examinations to be used by the States in the testing of applicants for licensing and certification and, at year end, the ASB published the 1993 edition of its Uniform Standards of Professional Appraisal Practice ("USPAP").

The ASC proposed and adopted rules concerning: the handling of requests from the States, depository institutions and other interested persons for temporary waiver relief in the event of appraiser shortages; the governing of ASC proceedings to disapprove a State's appraiser regulatory program; the Privacy Act of 1974; and the Freedom of Information Act. The ASC continued to monitor and review the activities of the Foundation and fund the portions of its expenses that relate to the activities of the ASB, the AQB and the membership activities of its Board of Trustees.

ASC staff visited nineteen States during 1992 to conduct field reviews of their appraiser regulatory programs. In general, the ASC found States to be in compliance with the intent of Title XI. Indeed, the activities of the State appraiser regulatory agencies ("State agencies") have appeared fair, thoughtful and dedicated to Title XI's successful implementation.

On December 30, 1992, the ASC issued, with the FFIEC's concurrence, an interim temporary waiver order respecting the Commonwealth of the Northern Mariana Islands ("CNMI"). No other requests for waivers were received. The ASC believes that a serious nationwide shortage of real estate appraisers is unlikely. Localized shortages, however, particularly in non-urban areas, may develop which the ASC believes can be dealt with through the temporary waiver process.

During 1992, the ASC continued to work closely with the five Agencies as part of its ongoing responsibility to monitor the Agencies' compliance with the requirements of Title XI. Several of the Agencies acted to establish a uniform threshold level of \$100,000 above which an appraisal is required. The Agencies also acted to clarify the definition of real property. In October 1992, the Agencies published new *Guidelines for Real Estate Appraisal and Evaluation Programs*, which cover the responsibilities of the regulated lenders for appraising and evaluating real estate. The ASC has no evidence that would contradict the Agencies' determination concerning the \$100,000 threshold. The ASC understands, however, that government agencies, as well as many private mortgage insurers, will require appraisals performed by licensed or certified appraisers for all purchased, guaranteed or insured mortgages. This leads us to believe that appraisals for mortgages on lower priced homes (affordable to many low and moderate income homebuyers) probably will be performed by licensed or certified appraisers.

The ASC's expenses for the year ending September 30, 1992, were \$1,392,000. This amount includes \$453,000 in grants to the Foundation. The ASC operated during the year on funds advanced from its Treasury account. ASC Treasury advances from inception through September 30, 1992, totalled \$2,741,351.

In 1992, the ASC received submissions from 37 States, plus Guam and Puerto Rico, for the national registry of licensed and certified appraisers ("registry"). We fully expect all States to submit data by early 1993. At year end, the registry contained the names of approximately 35,000 appraisers. Registry fees received through September 30, 1992, totalled \$964,925.

In the latter part of 1992, the ASC focused its attention on the issues of temporary practice and reciprocity.

temporary practice is required by Title XI and should be a simple, non-burdensome process. The ASC worked actively to ensure that all States provide out-of-State certified or licensed appraisers a simple, quick, straightforward process for obtaining temporary practice registration. While reciprocity is not required by Title XI, the ASC encouraged the States to work out broad and acceptable reciprocity arrangements.

During 1993, the ASC plans to continue its first round of field reviews of State appraiser regulatory programs and intends to make follow-up visits when appropriate.

Significant progress has been made in the implementation of Title XI since its passage, and the ASC expects that progress too to continue.

The Appraisal Subcommittee - An Introduction

The ASC was created on August 9, 1989, pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1999 (“FIRREA”). The purpose of Title XI is to provide that Federal financial and public policy interests in real estate transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.” In general, the ASC oversees the real estate appraisal process as it relates to federally related transactions, as defined in Section 1121(4) of Title XI. The ASC is a subcommittee under the FFIEC. The FFIEC was established pursuant to Title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 so create an interagency body empowered to prescribe uniform principles for the Federal examination of financial institutions.

The ASC is comprised of six members, each being designated respectively by the heads of the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration and the Department of Housing and Urban Development (“HUD”). Section 1103 of Title XI sets out the ASC’s general responsibilities. The Section instructs the ASC to perform the following functions:

- Monitor the requirements established by the States, territories and the District of Columbia (“States”) for the certification and licensing of appraisers. The ASC reviews each State’s compliance with the requirements of Title XI and is authorized by Title XI to take action against non-complying States;
- Monitor the requirements established by the Agencies and the Resolution Trust Corporation (“RTC”) regarding appraisal standards for federally related transactions and determinations of which federally related transactions will require the services of State licensed or State certified appraisers;
- Maintain a national registry of State licensed and certified appraisers who may perform appraisals in federally related transactions;
- Monitor and review the practices, procedures, activities and organizational structure of the Foundation; and
- Transmit an annual report to Congress regarding the activities of the A SC during the preceding year.

Activities of the ASC

The ASC's activities are presented in chronological order for 1992. Early in the year, the ASC refined and approved the State review report format and procedure developed during pilot field reviews of State agencies conducted in the final months of 1991. These reviews are oriented toward understanding the State agency's organization including: the process for accepting education and experience, the administration of its education requirements, testing requirements and procedures, the availability of temporary practice and reciprocity in the State and the system in place for enforcement of appraiser legislation and regulation.

Also during January, the ASC reviewed, discussed and submitted written comments to the ASB on a Draft Advisory Opinion on the assistance which an individual who is not a licensed or certified appraiser may provide to an appraiser who is licensed or certified. The ASC also considered a Draft Statement concerning marketing and exposure times.

The ASC submitted its 1991 Annual Report to Congress on January 31, 1992.

In February, the ASC authorized the Foundation to use the unspent balance of \$267,053 from its 1991 grant for first quarter 1992 Foundation activities approved by the ASC. The ASC discussed HUD's audit of the Foundation's grant accounting and internal control system. Following this meeting, the ASC encouraged the Foundation to establish a more rigorous system of internal controls and to engage an accounting firm with more experience in Federal grant accounting. In April, the ASC approved a new grant in an amount not to exceed \$611,038 for the activities of the Foundation for the balance of 1992 and conditioned actual draws on the Foundation improving its internal controls and completing a HUD close-out audit of the 1991 grant. These activities were immediately undertaken, and the authorization was given in May to the Foundation to begin making charges against the 1992 grant. Total grant outlays for the year ending September 30, 1992, were \$453,000.

The ASC proposed new "Rules of Practice for Proceedings" on March, 18, 1992. *See* 57 FR 10 143 (March 24, 1992). Final rules were adopted on July 9, 1992. *See* 57 FR 31645 (July 17, 1992). These rules will be codified at 12 CFR part 1102, subpart B. They are designed to govern proceedings under Section 1118 of Title XI for the nonrecognition of State real estate appraiser licensing and certification designations and systems and under Section 1119(c) of Title XI respecting other ASC proceedings to take further action to carry out the purposes of Title XI. These rules contain the ASC's procedural requirements for appearing and practicing before the ASC, for filing and formatting documents, for effecting service of process, for computing time and for initiating, hearing and deciding matters.

The ASC proposed new "Rules Pertaining to the Privacy of Individuals and Systems of Records Maintained by the Appraisal Subcommittee" on March 22, 1992. *See* 57 FR 11017 (April 1, 1992). Final rules were adopted on August 7, 1992. *See* 57 FR 36356 (August 13, 1992). The rules will be codified at 12 CFR part 1102, subpart C. These rules are designed to establish procedures that bring the ASC into full compliance with the Privacy Act of 1974.

The ASC adopted final "Rules of Practice for Temporary Waiver Proceedings" on March 26, 1992. *See* 57 FR 10979 (April 1, 1992). The rules will be codified at 12 CFR part 1102, subpart A. The rules set out the ASC's procedures relating to proceedings to grant and terminate temporary waivers under Section 1119(b) of Title XI. This Section enables the ASC, with the FFIEC's approval, to waive on a temporary basis any State certification or licensing requirement on a written finding that: (1) there is a scarcity of certified or licensed appraisers to perform appraisals in connection with federally related transactions and; (2) the scarcity is leading to significant delays in the performance of those appraisals. Under this rule, the ASC can receive information about possible scarcities and delays and requests for relief from the public, industry trade associations and regulated financial institutions. Further, the ASC can grant relief on an interim basis in the event that an emergency exists.

In accordance with the Privacy Act of 1974, the ASC, on April 1, 1992, published a notice in the *Federal*

Register establishing a new system of records entitled, “national registry of State certified and licensed appraisers” maintained by the ASC pursuant to Title X. The effective date of the system of records was May 13, 1992

During April 1992, the ASC and the Department of Treasury agreed to amend their Financing Agreement of April 6, 1990. The original agreement mandated that the ASC repay to the Treasury funds advanced from its \$5 million start-up appropriation, with interest, in accordance with a repayment schedule. The amendment terminated the provisions of the agreement pertaining to interest payments, waived interest accrued under the terms of the original agreement and delayed initiation of payback provisions until the ASC is able to cover its operating expenses out of registry fees.

During June 1992, the ASC placed releasable portions of the registry in the public domain through the National Technical Information Service (“NTIS”). NTIS fees do not exceed those the ABC would charge to respond to requests for registry reports. The ASC provides registry updates to the NTIS on a monthly basis. Subscriptions to registry updates are available, as are record sorts by factors such as State and zip code. The registry’s catalogue name is The Real Estate Appraiser’s Registry.

In September 1992, in fulfilling its responsibility to monitor and review the activities of the Foundation, the ASC met with the ASB to discuss the activities of the ASB over the last year and its future work plan.

Also in September, the ASC testified before the Subcommittee on General Oversight and Investigations of the House Committee on Banking, Finance and Urban Affairs held hearings on the status of the implementation of Title XI.

On October 26th and 27th, the ASC hosted the second Appraisal Subcommittee State Regulators Conference in Washington, D.C. The Conference was attended by approximately 250 State regulators, appraisers and others affected by the implementation of Title XI. The agenda included such topics as entry level categories, experience requirements for licensed appraisers, temporary practice and reciprocity. ASC members and staff also advised the regulators of the status of the State field review process, ASC’s regulations implementing Title XI’s temporary waiver provisions and the status of the Registry.

In November 1992, the ASC met with the AQB to discuss its activities over the past year and future activities of the AQB.

To implement fully the Freedom of Information Act, the ASC adopted final rules entitled, “Description Office, Procedures, Public Information,” on December 14, 1992. *See* 57 FR 60722 (December 22, 1992). The rules will be codified at 12 CFR part 1102, subpart D. The rules satisfy the requirements of the Freedom of Information Act by setting out the ASC’s authority and functions, its organizational structure and methods of operation and its procedures for receiving, processing, granting and denying requests for information from members of the public. It effectively incorporates by reference the existing Freedom of Information Act procedures of the ASC’s parent agency, the FFIEC.

In December 1992, the ASC, with the approval of the FFIEC, granted an Interim Order to CNMI for emerges temporary waiver relief from its appraiser certification and licensing requirements and requesting comments. This was the first action under the ASC’s temporary waiver rules. The Interim Order became effective on January 1, 1993, and was published in the *Federal Register* on January 6, 1993. Under its rules, the ASC must make a final determination respecting CNMI’s request by February 22, 1993.

Administration of the ASC

Meetings of the ASC are held monthly. Special meetings may be scheduled at the request of an ASC member. The ASC's activities are funded from two sources. Firstly, Title XI requires State agencies to forward an annual registry fee of at least \$25 to the ASC for each appraiser who seeks to be licensed or certified to perform appraisals in federally related transactions. Secondly, Title XI authorizes a one-time advance from the Secretary of Treasury of \$5,000,000 and also requires that the ASC reimburse the Treasury for funds used. With the registry in place, and being better able to project income, the ASC is now developing plans to reimburse the Treasury.

The ASC is supported by a small, full-time, professional staff in its administrative offices, with the Executive Director acting as the ASC's Secretary. The organization and responsibilities of the ASC's senior staff are as follows:

Executive Director - Responsible for formulating, implementing and evaluating policies, procedures and programs for carrying out the day-to-day operations of the ASC.

Associate Director for Administration - Responsible for the registry and for providing financial and facilities management, personnel and payroll, procurement and contracting and governmental technical representative services to the ASC, the Executive Director, and ASC staff.

Associate Director for Policy and Programs - Responsible for managing the analysis of Federal and State appraisal requirements, formulation of guidelines, development of analytical projects needed to achieve the goals of Title XI and ASC field reviews of State programs for the implementation of Title XI.

General Counsel - Responsible for the professional legal work of the ASC. Serves as legal advisor to the ASC, its Executive Director and other ASC officers and employees, and renders legal advice with regard to statutes and other laws that concern regulation of the appraisal industry and that govern ASC operations.

The members of the ASC and their terms of service are:

- Chairman, Fred D. Finke, Deputy Comptroller for Special Supervision, Office of the Comptroller of the Currency, September 1990 to present;
- Member, Morris E. Carter, Director, Single Family Development Division, Department of Housing and Urban Development, October 1991 to present;
- Member, Robert F. Mialovich, Associate Director, Office of Policy, Division of Supervision, Federal Deposit Insurance Corporation, November 1989 to present;
- Member, Diana L. Garmus, Deputy Assistant Director for Corporate Activities, Office of Thrift Supervision, September 1990 to present;
- Member, Rhoger H Pugh, Assistant Director, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System, November 1992 to present; and
- Member, Alonzo S. Swann, III, Director, Department of Operations, Office of Examination and Insurance, National Credit Union Administration, December 1991 to present.

The Appraisal Subcommittee staff are:

- Edwin W. Baker, Executive Director
- Paul N. Romani, Associate Director for Administration
 - Willa Habersham, Staff Secretary
 - Lori L. Schuster, Head Secretary
 - Ray M. Seward, Information Management Specialist
- Ronald W. Peppe, Associate Director for Policy and Programs
 - Vicki A. Ledbetter, Appraisal Policy Manager
 - Linda K. Matthias, Appraisal Policy Manager
- Marc L. Weinberg, General Counsel

ASC Financial Statements

In Fiscal Year ("FY") 1989, the ASC received a one-time appropriation of \$5,000,000 to fund its start-up operations. The Treasury Department has determined that the appropriation is an advance, and disbursements made using these monies must be repaid. Beginning January 1992, the States began remitting to the ASC a fee of \$25 for each licensed or certified appraiser added to the registry. Treasury advances and registry fees constitute the ASC's sole sources of operating funds. Registry fees received through September 30, 1992, totalled \$964,925.

Fiscal year 1990 was the first year in which the ASC incurred obligations to Treasury. Advances for FY 1990 totalled \$82,056, for FY 1991 - \$1,267,595 and for FY 1992 - \$1,391,700. The ASC budget for FY 1993 is \$1,772,000. The 1993 budget includes a grant request from the Foundation which has not yet been approved by the ASC. The ASC's fiscal year ends on September 30.

Expenses by Object Class, Fiscal Years 1990 - 1993 (\$ in 000's)

Object Class	1990 Actual	1991 Actual	1992 Actual	1993 Budget
Personnel Compensation	\$ 0	\$ 135	\$ 444	\$ 564
Personnel Benefits	0	40	106	141
Travel & Transportation	0	7	22	39
Transportation of Things	0	1	2	2
Communications, Rent, & Utilities	12	70	139	185
Printing & Reproduction	0	6	18	7
Other Services	46	513	132	52
Supplies & Materials	1	28	14	18
Furniture & Equipment	23	6	62	11
Subtotal	\$82	\$ 806	\$ 939	\$1,019
Grant to the Foundation	0	462	453	730
Contingency Fund	0	0	0	10
Audit and Training	0	0	0	13
Total	\$82	\$ 1,268	\$1,392	\$1,772

SUMMARY: TREASURY
ADVANCES, FY 1990 - FY 1992

Total Amount FY 1990 Advances	\$ 82,056.00
Total Amount FY 1991 Advances	1,267,595.00
Total Amount FY 1992 Advances	<u>1,391,700.00</u>
	\$2,741,351.00
Total Appropriation	\$5,000,000.00
Advances to Date	<u>2,741,351.00</u>
Balance	\$2,258,649.00
Registry Fees Collected through September 1992	\$1,327,175.00 ¹

1. Includes monies from States which paid fees for calendar years 1992 and 1993.

Field Reviews of State Appraiser Regulatory Agencies

In 1992, as required by Title XI, the ASC began monitoring the States' requirements, practices and procedures for the certification and licensing of appraisers who may perform appraisals in connection with federally related transactions. Part of this oversight function is the performance of field reviews of State appraiser licensing and certification regulatory programs.

Prior to a scheduled State field review, the ASC staff forwarded a review data questionnaire for completion by the State agency to provide the ASC a summary of the State's regulatory scheme. The questionnaire included: a request for the most current appraiser laws and regulations; an account of any pending legislation; administrative information such as the State agency's budget and an organization chart; the names of the appraiser designations awarded; experience and education requirements for licensing and certification; and explanations of the State's procedures for approving education providers, addressing complaints of appraiser misconduct, and awarding temporary practice permits and reciprocal licenses and certificates.

Field reviews were conducted over a period of two or more days during which the review team:

- Preliminarily analyzed the existing State statute, regulations and proposed legislation. Reviews usually were scheduled to coincide with a formal State agency meeting;
- Reviewed randomly selected active files of licensed and certified appraisers, including those of appraisers who were granted reciprocity or temporary practice;
- Examined files of certification and licensing applicants whose applications have been denied;
- Reviewed files of complaints of appraiser misconduct; and
- Reviewed audit and enforcement procedures.

After the field review, the ASC discussed the staff's findings and recommendations and issued a letter containing the ASC's comments to the State agency. Each State was requested to provide the ASC with an appropriate written response to each issue discussed.

By the conclusion of 1992, twenty State field reviews were performed (one in 1991). Initial field reviews of the remaining States will continue in 1993 and will be completed in 1994. Routine follow-up reviews will begin at that time. Several factors were taken into consideration in scheduling the 1992 State reviews. These factors include: the State's statutory requirements, the number of licenses and certificates it had awarded, current operational status and identified potential problem areas. Most States reviewed had operative licensing and certification programs that are mandatory for all appraisals in the State.

Overall, the State appraiser regulatory programs appeared to be operating in a manner consistent with Title XI. Nevertheless, as a result of field reviews, several issues required ASC comment. These issues will require follow-up during 1993. These issues were:

- Some States did not provide for temporary practice, although Section 1122 of Title XI requires that: "A State appraiser certifying and licensing agency shall recognize on a temporary basis the certificate or license of an appraiser issued by another State." The ASC believes that a temporary practice program should permit an appraiser certified or licensed in another State to perform an appraisal on a temporary basis without being required to engage in a lengthy or complex application/approval process; or incur a higher fee than that assessed for permanent certification or licensing. Several States have provided for temporary practice, but with a fee that is so high or a process so complex as to discourage temporary practice. Such States have been encouraged to change their procedures to bring them into full compliance with Title XI.

- Many States' statutes or regulations specifically defined the type and value of properties which appraiser's holding certain classifications may appraise. In some instances, these requirements differed from the requirements in the Agencies regulations. Title XI requires the Agencies to prescribe which categories of federally related transactions should be appraised by a State certified appraiser and which by a State licensed appraiser. Because the Agencies issued regulations in response to this requirement, the ASC suggested that the States ensure that the authority given to appraisers by the State law and regulations to perform appraisals for federally related transactions does not conflict with applicable Federal regulations. The States were advised of the ASC's view that they should defer to the Agencies' appraisal regulations regarding the authority associated with each appraiser classification in so far as federally related transactions are concerned.
- Several States had a permanent system of transitional licensing of appraisers (*i.e.*, awarding a license to an applicant who lacks either the education or the experience required). Published ASC guidelines indicate that transitional licensing was intended to be a means of avoiding appraiser shortages in the start-up years of appraisal regulation. The ASC advised the States that it is considering additional guidance on this issue.
- Some States exempted certain classes of appraisers from State appraisal regulations. The ASC reminded the States that all appraisals for federally related transactions must be performed by certified or licensed appraisers. The ASC requested that several States consider and explain how they would deal with an individual who is not licensed or certified but performs an appraisal in a federally related transaction. The ASC also expressed its concern to States which may not have enforcement authority over individuals that have been licensed or certified but who violate USPAP in the performance of a real estate appraisal in a non-federally related transaction.
- Several State agencies did not appear to have adequate resources to carry out their required functions, such as agency staffing, investigations, enforcement and travel, The ASC requested that the State agency ensure that it has adequate resources to carry out its responsibilities under Title XI.
- Among the States reviewed, some programs' licensing requirements were below the "safe harbor" criteria suggested in ASC guidelines. Licensing requirements below the "safe harbor" may: (1) increase the burden on lenders to determine the competency of licensed appraisers; (2) create obstacles to temporary practice and reciprocity; and (3) increase the possibility that licensed appraisers will fail to follow USPAP. The ASC advised the States that it is monitoring closely these programs. In addition, the ASC asked the States to demonstrate how their licensing criteria fulfill the intent of Title XI to ensure the competency of licensed appraisers.

Most States which the ASC reviewed were responsive to prior issues addressed in the ASC's guidelines and in written reviews of State legislation.

Activities of the Federal Financial Institutions Regulatory Agencies

During 1992, the Agencies (other than the National Credit Union Administration (“NCUA”) and the RTC) worked to achieve consistency in their appraisal regulations which, among other things, included a \$100,000 threshold above which Title XI appraisals will be required. The NCUA and RTC retained a \$50,000 threshold level

The Agencies adopted substantially uniform revised *Guidelines for Real Estate Appraisal and Evaluation Programs*. Generally, the guidelines provided information to federally regulated lenders respecting evaluation standards, the administration of appraisal and evaluation programs, the timing of appraisals and evaluations, compliance procedures, the useful life of appraisals or evaluations, reappraisals and reevaluations of collateral and the use of updated appraisals.

Additionally, several of the Agencies adopted amendments to their appraisal regulations exempting from the appraisal requirement loans that are insured or guaranteed by an agency of the United States Government which are supported by an appraisal conforming to these other agencies’ requirements. These new amendments also defined the term, “real estate” or “real property.”

On November 17, 1992, pursuant to new Section 1123 of Title XI, which was enacted by Congress in October as part of the Depository Institutions Disaster Relief Act of 1992, the Agencies approved a joint order granting relief from the provisions of Title XI of FIRREA and the Agencies’ appraisal regulations for any real estate related financial transaction requiring an appraisal under those provisions so long as the transaction involved real property located in an area designated a Federal disaster area by the Federal Emergency Management Agency. The order covered those areas declared disaster areas as a result of Hurricanes Andrew and Iniki or the Los Angeles civil unrest in May 1992. *See* 57 F.R. 54173.

Activities of the Appraisal Foundation

The Foundation is a private, not for profit corporation charged by Title XI with the responsibility of establishing minimum uniform appraisal standards and appraiser qualifications criteria- The ASC monitored the following activities of the Foundation in 1992.

The Foundation's Board of Trustees ("Trustees")

- At its February meeting, the Trustees elected officers for 1992, agreed on rules of conduct for Appraisal Sponsors and agreed to advertise widely for nominations for the newly created at-large trustee positions.
- The Trustees met in April, in conjunction with a meeting of the ASB.
- In October, the Trustees met and voted to admit the National Association of Realtors as an Affiliate Sponsor of the Foundation and the National Association of Master Appraisers as an Appraisal Sponsor. Ritch LeGrand was appointed Chairman of the ASB and James Klopfenstein was reappointed Chairman of the AQB. Roy G. Green was elected Chairman of the Board of Trustees, succeeding Joseph Straus, Jr. In fulfilling its commitment to expand the membership and increase the participation of non-designated appraisers, the Trustees also elected 14 individuals to the new, at-large trustee positions.

The Appraiser Qualifications Board

- In February, the AQB met to decide on its 1992 plan of act activities, which included plans for two AQB meetings/State agency workshops to be held in Chicago and Denver. The recommendations of the Course Review Task Force were accepted as amended, and work was initiated to put the program in place. The acceptance of experience gained as a review appraiser was discussed, and the AQB agreed that the Interpretations/Clarifications to the Appraiser Qualifications Criteria should be amended to clarify the acceptance of this type of experience.
- In May, the AQB held its first Criteria Review Forum, with testimony on the AQB's Appraiser Qualification Criteria from fifteen individuals representing State agencies, appraisal organizations and users of appraisers. The AQB made final modifications to its Course Approval Program. The AQB voted to research two new issues: a trainee level classification and the approval of home study courses,
- In August, the AQB held its second Criteria Review Forum, The AQB also discussed the Course Approval Program, the need for criteria for a trainee category and the need to obtain additional information on home study education,
- In November, the AQB met and voted to distribute for comment a revision to the Classification Criteria for Certified Residential Appraisers. The revision proposed to lower the January 1994 education requirement from 165 hours to 120 hours. The revised level would be higher than the present 105 hour requirement. Two Interpretations/Clarifications to the Appraiser Qualifications Criteria were approved: recognition of technical review appraiser experience as acceptable for licensing or certification; and acceptance of approved home study education for educational credit, The AQB clarified that "technical review," as defined in ASB Advisory Opinion G-6, qualifies for experience credit, The AQB further decided that home study courses approved by the American Council on Education's Program on Non-collegiate Sponsored Instruction may be considered for approval by State agencies.

The Appraisal Standards Board

- In March, the ASB met to review comments received on the exposure draft Statement on Reasonable Exposure Time in Market Value Estimates and the Advisory Opinion regarding Market Value versus Fair

Value. The ASB decided to hold a public hearing on these subjects to obtain additional input on the subject. The ASB also discussed developing Advisory Opinions on Toxic or Hazardous Substance Contamination and Assistance in Appraisals.

- In June, the ASB met to discuss and issue a Final Exposure Draft on the Statement on Reasonable Exposure Time in Market Value Appraisals. The ASB also discussed an Advisory Opinion on Toxic or Hazardous Substance Contamination and issued Advisory Opinion G-6 on the Review Appraiser Function.
- In September, the ASB adopted Statement No. 6 on Reasonable Exposure Time in Market Value Estimates and Advisory Opinions G-7 on Marketing Time Estimates and G-8 on Market Value versus Fair Value in Real Property Appraisals. The ASB voted to issue for comment an Advisory Opinion on Toxic or Hazardous Substance Contamination.
- In December, the ASB met and adopted Advisory Opinion G-9 on the responsibility of appraisers concerning Toxic or Hazardous Substance Contamination. The ASB also agreed to study two new matters: the relationship between the fee appraiser and the client and the recertification of value. It was announced that the 1993 Edition of USPAP will be published during January 1993.

Appendix A - Relevant Statutes

The following is a compilation of Title XI of FIRREA, as amended, and related legislation applicable to the ASC.

TITLE XI—REAL ESTATE APPRAISAL REFORM AMENDMENTS.

SEC. 1101. PURPOSE.

The purpose of this title is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.

SEC. 1102. ESTABLISHMENT OF APPRAISAL SUBCOMMITTEE OF THE FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

The Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) is amended by adding at the end thereof the following new section:

SEC. 1011. ESTABLISHMENT OF APPRAISAL SUBCOMMITTEE.

"There shall be within the Council a subcommittee to be known as the 'Appraisal Subcommittee', which shall consist of the designees of the heads of the Federal financial institutions regulatory agencies. Each such designee shall be a person who has demonstrated knowledge and competence concerning the appraisal profession."

SEC. 1103. FUNCTIONS OF APPRAISAL SUBCOMMITTEE.

(a) *In General.*—The Appraisal Subcommittee shall—

(1) monitor the requirements established by States for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility;

(2) monitor the requirements established by the Federal financial institutions regulatory agencies and the Resolution Trust Corporation with respect to—

(A) appraisal standards for federally related transactions under their jurisdiction, and

(B) determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser;

(3) maintain a national registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions; and

(4) transmit an annual report to the Congress not later than January 31 of each year which describes the manner in which each function assigned to the Appraisal Subcommittee has been carried out during the preceding year.

(b) *Monitoring and Reviewing Foundation.*—the Appraisal Subcommittee shall monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation.

SEC. 1104. CHAIRPERSON OF APPRAISAL SUBCOMMITTEE; TERM OF CHAIRPERSON; MEETINGS.

(a) *Chairperson.*—The Council shall select the Chairperson of the subcommittee. The term of the Chairperson shall be 2 years.

(b) *Meetings; Quorum; Voting.*—The Appraisal Subcommittee shall meet at the call of the Chairperson or a majority of its members when there is business to be conducted. A majority of members of the Appraisal Subcommittee shall constitute a quorum but 2 or more members may hold hearings. Decisions of the Appraisal Subcommittee shall be made by the vote of a majority of its members.

SEC. 1105. OFFICERS AND STAFF.

The Chairperson of the Appraisal Subcommittee shall appoint such officers and staff as may be necessary to carry out the functions of this title consistent with the appointment and compensation practices of the Council.

SEC. 1106. POWERS OF APPRAISAL SUBCOMMITTEE.

The Appraisal Subcommittee may, for the purpose of carrying out this title, establish advisory committees, hold hearings, sit and act at times and places, take testimony, receive evidence, provide information, and perform research, as the Appraisal Subcommittee considers appropriate.

SEC. 1107. PROCEDURES FOR ESTABLISHING APPRAISAL STANDARDS AND REQUIRING THE USE OF CERTIFIED AND LICENSED APPRAISERS.

Appraisal standards and requirements for using State certified and licensed appraisers in federally related transactions pursuant to this title shall be prescribed in accordance with procedures set forth in section 553 of title 5, United States Code, including the publication of notice and receipt of written comments or the holding of public hearings with respect to any standards or requirements proposed to be established.

SEC. 1108. STARTUP FUNDING.

(a) *In General.*—For purposes of this title, the Secretary of the Treasury shall pay to the Appraisal Subcommittee a one-time payment of \$5,000,000 on the date of the enactment of this Act. Thereafter, expenses of the subcommittee shall be funded through the collection of registry fees from certain certified and licensed appraisers pursuant to section 1109 or, if required, pursuant to section 1122(b) of this title.

(b) *Additional Funds.*—Except as provided in section 1122(b) of this title, funds in addition to the funds provided under subsection (a) may be made available to the Appraisal Subcommittee only if authorized and appropriated by law.

SEC. 1109. ROSTER OF STATE CERTIFIED OR LICENSED APPRAISERS; AUTHORITY TO COLLECT AND TRANSMIT FEES.

(a) *In General.*—Each State with an appraiser certifying and licensing agency whose certifications and licenses comply with this title, shall—

(1) transmit to the Appraisal Subcommittee, no less than annually, a roster listing individuals who have received a State certification or license in accordance with this title; and

(2) collect from such individuals who perform or seek to perform appraisals in federally related transactions, an annual registry fee of not more than \$25, such fees to be transmitted by the State agencies to the Council on an annual basis. Subject to the approval of the Council, the Appraisal Subcommittee may adjust the dollar amount of registry fees, up to a maximum of \$50 per annum, as necessary to carry out its functions under this title.

(b) *Use of Amounts Appropriated or Collected.*—Amounts appropriated for or collected by the Appraisal Subcommittee under this section shall be used—

(1) to maintain a registry of individuals who are qualified and eligible to perform appraisals in connection with federally related transactions;

(2) to support its activities under this title;

(3) to reimburse the general fund of the Treasury for amounts appropriated to and expended by the Appraisal Subcommittee during the 24-month startup period following the date of the enactment of this title; and

(4) to make grants in such amounts as it deems appropriate to the Appraisal Foundation, to help defray those costs

of the foundation relating to the activities of its Appraisal Standards and Appraiser Qualifications Boards.

SEC. 1110. FUNCTIONS OF THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES RELATING TO APPRAISAL STANDARDS.

Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe appropriate standards for the performance of real estate appraisals in connection with federally related transactions under the jurisdiction of each such agency or instrumentality. These rules shall require, at a minimum (1) that real estate appraisals be performed in accordance with generally accepted appraisal standards as evidenced by the appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation; and (2) that such appraisals shall be written appraisals. Each such agency or instrumentality may require compliance with additional standards if it makes a determination in writing that such additional standards are required in order to properly carry out its statutory responsibilities.

SEC. 1111. TIME FOR PROPOSAL AND ADOPTION OF STANDARDS.

Appraisal standards established under this title shall be proposed not later than 6 months and shall be adopted in final form and become effective not later than 12 months after the date of the enactment of this Act.

SEC. 1112. FUNCTIONS OF THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES RELATING TO APPRAISER QUALIFICATIONS.

(a) *In General.*—Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe, in accordance with sections 1113 and 1114 of this title, which categories of federally related transactions should be appraised by a State certified appraiser and which by a State licensed appraiser under this title.

(b) *Threshold Level.*—Each federal financial institutions regulatory agency and the Resolution Trust Corporation may establish a threshold level at or below which a certified or licensed appraiser is not required to perform transactions in connection with federally related transactions, if such agency determines in writing that such threshold level does not represent a threat to the safety and soundness of financial institutions.

(c) *GAO study of appraisals in connection with real estate related financial transactions below the threshold level.*—

(1) Study required. At the end of the 18-month period, and the end of the 36-month period, beginning on the date of the enactment of this subsection [October 29, 1992], the Comptroller General of the United States shall conduct a study on the adequacy and quality of appraisals or evaluations conducted in connection with real estate related financial transactions below the threshold levels established under subsection (b), taking into account—

(A) the cost to any financial institution involved in any such transaction;

(B) the possibility of losses to the Bank Insurance Fund, the Savings Association Insurance Fund, or the National Credit Union Share Insurance Fund;

(C) the cost to any customer involved in any such transaction; and (D) the effect on low-income housing.

(2) Reports to Congress and the appropriate federal financial institutions regulatory agencies. Upon completing each of the studies required under paragraph (1), the Comptroller General shall submit a report on the Comptroller General's findings and conclusions with respect to such study to the federal financial institutions regulatory agencies, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, together with such recommendations for legislative or administrative action as the Comptroller General determines to be appropriate.

SEC. 1113. TRANSACTIONS REQUIRING THE SERVICES OF A STATE CERTIFIED APPRAISER.

In determining whether an appraisal in connection with a federally related transaction shall be performed by a State certified appraiser, an agency or instrumentality under this title shall consider whether transactions, either individually or collectively, are of sufficient financial or public policy importance to the United States that an individual who performs an appraisal in connection with such transactions should be a State certified appraiser, except that—

(1) a State certified appraiser shall be required for all federally related transactions having a value of \$1,000,000 or more; and

(2) 1-to-4 unit, single family residential appraisals may be performed by State licensed appraisers unless the size and complexity requires a State certified appraiser.

SEC. 1114. TRANSACTIONS REQUIRING THE SERVICES OF A STATE LICENSED APPRAISER.

All federally related transactions not requiring the services of a State certified appraiser shall be performed by either a State certified or licensed appraiser.

SEC. 1115. TIME FOR PROPOSAL AND ADOPTION OF RULES.

As appropriate, rules issued under sections 1113 and 1114 shall be proposed not later than 6 months and shall be effective upon adoption in final form not later than 12 months after the date of the enactment of this Act.

SEC. 1116. CERTIFICATION AND LICENSING REQUIREMENTS.

(a) *In General.*—For purposes of this title, the term "State certified real estate appraiser" means any individual who has satisfied the requirements for State certification in a State or territory whose criteria for certification as a real estate appraiser currently meets the minimum criteria for certification issued by the Appraiser Qualifications Board of the Appraisal Foundation.

(b) *Restriction.*—No individual shall be a State certified real estate appraiser under this section unless such individual has achieved a passing grade upon a suitable examination administered by a State or territory that is consistent with and equivalent to the Uniform State Certification Examination issued or endorsed by the Appraiser Qualifications Board of the Appraisal Foundation.

(c) *Definition.*—As used in this section, the term "State licensed appraiser" means an individual who has satisfied the requirements for State licensing in a State or territory.

(d) *Additional Qualification Criteria.*—Nothing in this title shall be construed to prevent any Federal agency or instrumentality under this title from establishing such additional qualification criteria as may be necessary or appropriate to carry out the statutory responsibilities of such department, agency, or instrumentality.

(e) *Authority of the Appraisal Subcommittee.*—The Appraisal Subcommittee shall not set qualifications or experience requirements for the States licensing real estate appraisers, including a de minimis standard. Recommendations of the subcommittee shall be nonbinding on the States.

SEC. 1117. ESTABLISHMENT OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.

To assure the availability of State certified and licensed appraisers for the performance in a State of appraisals in federally related transactions and to assure effective supervision of the activities of certified and licensed appraisers, a State may establish a State appraiser certifying and licensing agency.

SEC. 1118. MONITORING OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.

(a) *In General.*—The Appraisal Subcommittee shall monitor State appraiser certifying and licensing agencies for the purpose of determining whether a State agency's policies, practices, and procedures are consistent with this title. The Appraisal Subcommittee and all agencies, instrumentalities, and federally recognized entities under this title shall not recognize appraiser certifications and licenses from States whose appraisal policies, practices, or procedures are found to be inconsistent with this title.

(b) *Disapproval by Appraisal Subcommittee.*—The Federal financial institutions, regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation shall accept certifications and licenses awarded by a State appraiser certifying the licensing agency unless the Appraisal Subcommittee issues a written finding that—

(1) the State agency fails to recognize and enforce the standards, requirements, and procedures prescribed pursuant to this title;

2) the State agency is not granted authority by the State which is adequate to permit the agency to carry out its functions under this title; or

(3) decisions concerning appraisal standards, appraiser qualifications, and supervision of appraiser practices are not made in a manner that carries out the purposes of this title.

(c) *Rejection of State Certifications and Licenses.*—

(1) *Opportunity to be heard or correct conditions.*—Before refusing to recognize a State's appraiser certifications or licenses, the Appraisal Subcommittee shall provide that State's certifying and licensing agency a written notice of its intention not to recognize the State's certified or licensed appraisers and ample opportunity to provide rebuttal information or to correct the conditions causing the refusal.

(2) *Adoption of procedures.*—The Appraisal Subcommittee shall adopt written procedures for taking actions described in this section.

(3) *Judicial review.*—A decision of the subcommittee under this section shall be subject to judicial review.

SEC. 1119. RECOGNITION OF STATE CERTIFIED AND LICENSED APPRAISERS FOR PURPOSES OF THIS TITLE.

(a) *Effective Date for Use of Certified or Licensed Appraisers Only.*—

(1) *In General.*—Not later than December 31, 1992, all appraisals performed in connection with federally related transactions shall be performed only by individuals certified or licensed in accordance with the requirements of this title.

(2) *Extension of Effective Date.*—Subject to the approval of the Council, the Appraisal Subcommittee may extend, until December 31, 1991, the effective date for the use of certified or licensed appraisers if it makes a written finding that a State has made substantial progress in establishing a State certification and licensing system that appears to conform to the provisions of this title.

(b) *Temporary Waiver of Appraiser Certification or Licensing Requirements for State Having Scarcity of Qualified Appraisers.*—Subject to the approval of the Council, the Appraisal Subcommittee may waive any requirement relating to certification or licensing of a person to perform appraisals under this title if the Appraisal Subcommittee or a State agency whose certifications and licenses are in compliance with this title, makes a written determination that there is a scarcity of certified or licensed appraisers to perform appraisals in connection with federally related transactions in a State or in any geographical political subdivision of a State, leading to significant delays in the performance of such appraisals. The waiver terminates when the Appraisal Subcommittee determines that such significant delays have been eliminated.

(c) *Reports to State Certifying and Licensing Agencies.*—The Appraisal Subcommittee, any other Federal agency or instrumentality, or any federally recognized entity shall report any action of a State certified or licensed appraiser that is contrary to the purposes of this title, to the appropriate State agency for a disposition of the subject of the referral. The State agency shall provide the Appraisal Subcommittee or the other Federal agency or instrumentality with a report on its disposition of the matter referred. Subsequent to such disposition, the subcommittee or the agency or instrumentality may take such further action, pursuant to written procedures, it deems necessary to carry out the purposes of this title.

SEC. 1120. VIOLATIONS IN OBTAINING AND PERFORMING APPRAISALS IN FEDERALLY RELATED TRANSACTIONS.

(a) *Violations.*—Except as authorized by the Appraisal Subcommittee in exercising its waiver authority pursuant to section 1119(b), it shall be a violation of this section—

(1) for a financial institution to seek, obtain, or give money or any other thing of value in exchange for the performance of an appraisal by a person who the institution knows is not a State certified or licensed appraiser in

connection with a federally related transaction; and

(2) for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Resolution Trust Corporation to knowingly contract for the performance of any appraisal by a person who is not a State certified or licensed appraiser in connection with a real estate related financial transaction defined in section 1121(5) to which such association or corporation is a party.

(b) *Penalties.*—A financial institution that violates subsection (a)(1) shall be subject to civil penalties under section 8(i)(2) of the Federal Deposit Insurance Act or section 206(k)(2) of the Federal Credit Union Act, as appropriate.

(c) *Proceeding.*—A proceeding with respect to a violation of this section shall be an administrative proceeding which may be conducted by a Federal financial institutions regulatory agency in accordance with the procedures set forth in subchapter II of chapter 5 of title 5, United States Code.

SEC. 1121. DEFINITIONS.

For purposes of this title:

(1) *State appraiser certifying and licensing agency.*—The term "State appraiser certifying and licensing agency" means a State agency established in compliance with this title.

(2) *Appraisal Subcommittee; subcommittee.*—The terms "Appraisal Subcommittee" and "subcommittee" mean the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(3) *Council.*—The term "Council" means the Federal Financial Institutions Examinations Council.

(4) *Federally related transaction.*—The term "federally related transaction" means any real estate-related financial transaction which—

(A) a federal financial institutions regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and

(B) requires the services of an appraiser.

(5) *Real estate related financial transaction.*—The term "real estate-related financial transaction" means any transaction involving—

(A) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;

(B) the refinancing of real property or interests in real property; and

(C) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

(6) *Federal financial institutions regulatory agencies.*—The term "Federal financial institutions regulatory agencies" means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration.

(7) *Financial institution.*—The term "financial institution" means an insured depository institution as defined in section 3 of the Federal Deposit Insurance Act or an insured credit union as defined in section 101 of the Federal Credit Union Act.

(8) *Chairperson.*—The term "Chairperson" means the Chairperson of the Appraisal Subcommittee selected by the council.

(9) *Foundation*.—The terms "Appraisal Foundation" and "Foundation" means the Appraisal Foundation established on November 30, 1987, as a not for profit corporation under the laws of Illinois.

(10) *Written appraisal*.—The term "written appraisal" means a written statement used in connection with a federally related transaction that is independently and impartially prepared by a licensed or certified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.

SEC. 1122. MISCELLANEOUS PROVISIONS.

(a) *Temporary Practice*.—A State appraiser certifying or licensing agency shall recognize on a temporary basis the certification or license of an appraiser issued by another State if—

(1) the property to be appraised is part of a federally related transaction,

(2) the appraiser's business is of a temporary nature, and

(3) the appraiser registers with the appraiser certifying or licensing agency in the State of temporary practice.

(b) *Supplemental Funding*.—Funds available to the Federal financial institutions regulatory agencies may be made available to the Federal Financial Institutions Examination Council to support the council's functions under this title.

(c) *Prohibition Against Discrimination*.—Criteria established by the Federal financial institutions regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation for appraiser qualifications in addition to State certification or licensing shall not exclude a certified or licensed appraiser for consideration for an assignment solely by virtue of membership or lack of membership in any particular appraisal organization.

(d) *Other Requirements*.—A corporation, partnership, or other business entity may provide appraisal services in connection with federally related transactions if such appraisal is prepared by individuals certified or licensed in accordance with the requirements of this title. An individual who is not a State certified or licensed appraiser may assist in the preparation of an appraisal if—

(1) the assistant is under the direct supervision of a licensed or certified individual; and

(2) the final appraisal document is approved and signed by an individual who is certified or licensed.

(e) *Studies*.—

(1) *Study*.—The Appraisal Subcommittee shall—

(A) conduct a study to determine whether real estate sales and financing information and data that is available to real estate appraisers in the States is sufficient to permit appraisers to properly estimate the values of properties in connection with federally related transactions; and

(B) study the feasibility and desirability of extending the provisions of this title to the function of personal property appraising and to personal property appraisers in connection with Federal financial and public policy interests.

(2) *Report*.—The Appraisal Subcommittee shall—

(A) report its findings to the Congress with respect to the study described in paragraph

(1)(A) no later than 12 months after the date of the enactment of this title, and

(B) report its findings with respect to the study described in paragraph (1)(B) to Congress not later than 18 months after the date of the enactment of this title.

SEC. 1123. EMERGENCY EXCEPTIONS FOR DISASTER AREAS.

(a) *In General.*—Each Federal financial institutions regulatory agency may, by regulation or order, make exceptions to this title, for transactions involving institutions for which the agency is the primary Federal regulatory with respect to real property located within a disaster area if the agency—

(1) makes the exception not later than 30 months after the date on which the President determines, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, that a major disaster exists in the area and

(2) determines that the exception—

(A) would facilitate recovery from the major disaster, and

(B) is consistent with safety and soundness.

(b) *3-Year Limit on Exceptions.*—Any exception made under this section shall expire not later than 3 years after the date of the determination referred to in subsection (a)(1).

(c) *Publication Required.*—Any Federal financial institutions regulatory agency shall publish in the Federal Register a statement that—

(1) describes any exception made under this section; and

(2) explains how the exception—

(A) would facilitate recovery from the major disaster, and

(B) is consistent with safety and soundness.

(d) *Disaster Area Defined.*—For the purposes of this section, the term "disaster area" means an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief Act, has determined that a major disaster exists.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REFORM ACT OF 1989 SEC. 142. FHA OPERATIONS.

* * * *

(e) *Appraisal Standards.*

(1) The Secretary shall prescribe standards for the appraisal of all property to be insured by the Federal Housing Administration. Such appraisals shall be performed in accordance with uniform standards, by individuals who have demonstrated competence and whose professional conduct is subject to effective supervision. These standards shall require at a minimum -

(A) that the appraisals of properties to be insured by the Federal Housing Administration shall be performed in accordance with generally accepted appraisal standards, such as the appraisal standards promulgated by the Appraisal Foundation a not-for-profit corporation established on November 30, 1987 under the laws of Illinois; and

(B) that each appraisal is a written statement used in connection with a real estate transaction that is independently and impartially prepared by a licensed or certified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.

(2) The Appraisal Subcommittee of the Federal Financial Institutions Examination Council shall include the Secretary or his designee.

Appendix B: Data

25. Licensed and Certified Appraisers by State*

27. Table of Licensing and Certification Requirements*

* Data in these tables are as of December 31, 1992, and reflect information provided by the States. While the ASC believes these data to be accurate, the ASC did not independently verify their accuracy.

Licensed and Certified Appraisers by State

State	Transitionally Licensed	Licensed	Certified Residential	Certified General	Total
Alabama		462		341	803
Alaska			73	73	146
Arizona	167	87	451	622	1,327
Arkansas	134	39	186	216	575
California	1,903	1,451	4,201	3,473	11,028
Colorado		599	224	823	1,646
Connecticut					1,205
Delaware		30	111	128	269
District of Columbia		189		201	390
Florida		33	1,791	1,419	3,243
Georgia		590	639	1,164	2,393
Hawaii	75	27	111	130	343
Idaho		117		110	227
Illinois		1,100	15	400	1,515
Indiana	561	274	379	320	1,534
Iowa		91	217	370	678
Kansas					692
Kentucky	21	62	362	257	702
Louisiana					587
Maine	237	226	115	169	747
Maryland	529	373	544	549	1,995
Massachusetts					1,200
Michigan		1,417		751	2,168
Minnesota		139	580	699	1,418
Mississippi		287	286	284	857
Missouri		96	611	463	1,170
Montana		8	88	115	211
Nebraska	7	138		246	391
Nevada		64	166	335	565
New Hampshire		55	138	185	378
New Jersey		1,061	223	900	2,184
New Mexico					302
New York		409	1,221	884	2,514
North Carolina		773	1,225	668	2,666
North Dakota	10	45		92	147
Ohio		1,248		596	1,844
Oklahoma		280	120	322	722
Oregon	104	492		359	955
Pennsylvania		1,128		729	1,857
Rhode Island		14	65	77	156
South Carolina	432	571		343	1,346
South Dakota	44	64		99	207

Licensed and Certified Appraisers by State—continued

State	Transitionally Licensed	Licensed	Certified Residential	Certified General	Total
Tennessee	73	137	497	457	1,164
Texas		187	1,132	2,161	3,480
Utah			227	232	459
Vermont	108	57	100	105	370
Virginia		792	210	634	1,636
Washington		622	418	604	1,644
West Virginia					506
Wisconsin		244	489	305	1,038
Wyoming			61	100	161
Guam		2		4	6
Puerto Rico		654		92	746
Subtotal	4,405	16,734			
Total		21,139¹	17,276	23,606	66,513²

1. Includes Transitional Licenses.

2. Total is greater than sum of column totals. Some States reported only the aggregate total of licensed and certified appraisers.

Licensed and Certified Appraisers by State

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Alabama	Licensed	15 hrs. USPAP	None	None	1 assignment 90 days \$50	Formal Agreement
	Certified Residential	75 hrs. including USPAP	2000 hrs. within the last 5 yrs.	Licensed		
	Certified General	165 hrs. including USPAP	2000 hrs. (1000 non-res.) within the last 5 yrs.	Certified General		
Alaska	Registered Trainee	30 hrs.	None	None	30 days \$100	Endorsement
	Institutional Real Estate Appraiser					
	Certified Residential	60 hrs. + 15 hrs. USPAP	3 yrs. or 2 yrs. as a trainee-within last 5 yrs.	Licensed		
	Certified General	150 hrs. + 15 hrs. USPAP	4 yrs. or 3 yrs. as a trainee-within last 7 yrs.	Certified General		
Arizona	Transitional State Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs. + 3 reports	Licensed	Any number \$150	Endorsement or Formal Agreement
	State Licensed	75 hrs. including USPAP	2000 hrs. + 3 reports	Licensed		
	State Certified Residential	105 hrs. including USPAP	2000 hrs. + 3 reports	Certified Residential		
	State Certified General	165 hrs. including USPAP. All require 2 hr. State Law Exam.	2000 hrs. + 3 reports	Certified General		
Arkansas	Transitional Licensed exp. 12/31/93	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	Any number 6 months \$150	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
California	Provisional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment \$100	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
California— continued	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Colorado	Registered	55 hrs. including USPAP	None	None	90 days \$40	Endorsement
	Licensed	95 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Connecticut	Appraiser Trainee	None	None	None	20 days \$150	Endorsement or Formal Agreement
	Licensed Residential	30 hrs. in residential appraising and 30 hrs. in other, or the equivalent	2 yrs. as appraiser trainee or the equivalent	None		
	Licensed General	75 hrs.	2 yrs.	Licensed		
	Certified Residential Real Property Appraiser	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General Real Property Appraiser	165 hrs. including USPAP	2000 hrs. (1000 hrs. non-residential)	Certified General		
Delaware	Appraiser Trainee	45 hrs. including USPAP	None	None	1 assignment \$ to be set	Endorsement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
District of Columbia	Licensed Residential	75 hrs. including USPAP	2 yrs.	Licensed	1 assignment 6 months \$ uncertain	Formal Agreement
	Certified General	165 hrs. including USPAP	2 yrs.	Certified General		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Florida	Registered	75 hrs. including USPAP	None	None	1 assignment \$50	N/A
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Georgia	Registered	75 hrs. including USPAP	None	None	None	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Hawaii	Transitional Licensed	75 hrs. including 15 hrs. USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment \$25	None
	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Idaho	Licensed Residential	75 hrs. including USPSP	2000 hrs.	Licensed	Proposed \$50	Formal Agreement
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Illinois	Licensed	75 hrs. including USPAP	500 hrs.	Licensed	60 days \$80	Endorsement
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Indiana	Transitional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	Any number 30 days \$10	Endorsement

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Indiana— continued	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Iowa	Associate	Equivalent to the appraiser being assisted	None	None	1 assignment \$0	Endorsement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Kansas	State Licensed	75 hrs. including USPAP	2000 hrs.	Licensed	1 assignment \$50	Endorsement
	State Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	State Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Kentucky	Transitional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment 6 months \$50	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Louisiana	Certified Residential	105 hrs. including USPSP	2 yrs. within last 5 yrs.	Certified Residential	1 assignment \$50	Endorsement
	Certified General	165 hrs. including USPAP	3 yrs. within last 5 yrs.	Certified General		
Maine	Transitional Licensed	75 hrs. including 15 hrs. USPAP <i>or</i>	2 yrs. within last 5 yrs.	Licensed	1 assignment 6 months \$425	Endorsement
	Licensed	75 hrs. including 15 hrs. USPAP	2 yrs. within last 5 yrs.	Licensed		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Maine—continued	Certified Residential must first be licensed	105 hrs. including 15 hrs. USPAP	2 yrs. within last 5 yrs.	Certified Residential		
	Certified General must first be licensed	165 hrs. including 15 hrs. USPAP	2 yrs. within last 5 yrs.	Certified General		
Maryland	Provisional License exp. 12/31/93	75 hrs. including 15 hrs. USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment 6 months \$0	Endorsement or Formal Agreement
	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Massachusetts	Trainee	None	None	None	1 assignment 6 months \$150	Formal Agreement
	Transitional Licensed	75 hrs. including 15 hrs. USPAP <i>or</i>	2000 hrs.	Licensed		
	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Michigan	Valuation Specialist	40 hrs. including USPAP <i>or</i>	2000 hrs.	None	None	Endorsement
	State Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	State Certified	165 hrs. including USPAP	2000 hrs.	Certified General		
Minnesota	State Real Property Appraiser	75 hrs. including 15 hrs. USPAP	None	None	1 assignment \$50	Formal Agreement
	Federal Residential	75 hrs. including 15 hrs. USPAP	2 yrs.	Licensed		
	Certified Federal Residential	105 hrs. including 15 hrs. USPAP	2 yrs.	Certified Residential		
	Certified Federal General	165 hrs. including 15 hrs. USPAP	2 yrs.	Certified General		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Mississippi	Certified Timberland	75 hrs. including USPAP	2000 hrs.	None	90 days \$75	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	State Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	State Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Missouri	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed	Notifying letter \$0	Formal Agreement
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Montana	Agriculture/Rural	165 hrs. including 15 hrs. USPAP	2000 hrs.	None	1 assignment 6 months \$150	Endorsement or Formal Agreement
	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	General Certified	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Nebraska	Registered	75 hrs. including USPAP	None	None	1 assignment 6 months	Endorsement or Formal Agreement
	Transitional License	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	Licensed \$200 Certified \$250	
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Nevada	Appraiser Intern	None	None	None	90 days \$75	Endorsement
	Licensed Residential	75 hrs. including USPAP	2400 hrs.	Licensed		
	Certified Residential	120 hrs. including USPAP	2400 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	3600 hrs.	Certified General		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
New Hampshire	Licensed Residential	75 hrs. including USPAP	2000 hrs.	Licensed	None	Endorsement or Formal Agreement
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
New Jersey	Transitional License	75 hrs. including USPAP <i>or</i>	2000 hrs. within last 2-4 yrs.	Licensed	3 assignments \$50	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs. within last 2-4 yrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs. within last 2-4 yrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs. within last 2-4 yrs.	Certified General		
New Mexico	Registered	75 hrs. including USPAP	None	None	6 months 1 property \$25	Endorsement or Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed	Multiple Properties \$100	
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
New York	Licensed	75 hrs. including 15 hrs. USPAP	2 yrs.	Licensed	1 assignment \$125	Endorsement or Formal Agreement
	Certified Residential	105 hrs. including 15 hrs. USPAP	2 yrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2 yrs.	Certified General		
North Carolina	Licensed Residential	90 hrs. within last 5 yrs.	2000 hrs.	Licensed	1 assignment \$0	Endorsement or Formal Agreement
	Certified Residential	120 hrs. within last 5 yrs.	2000 hrs.	Certified Residential		
	Certified General	180 hrs. within last 5 yrs.	2000 hrs.	Certified General		
North Dakota	Apprentice	15 hrs. USPAP	None	None	1 assignment \$50 Multiple Properties 6 months \$100	Formal Agreement

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
North Dakota— continued	Transitional Licensed exp. 1/94	75 hrs. including 15 hrs. USPAP	2000 hrs	Licensed		
	Licensed	75 hrs. Including USPAP	2000 hrs.	Licensed		
	Certifed. General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Ohio	Residential Certified	75 hrs. including 15 hrs. USPAP	2 yrs. within last 5 yrs.	Licensed	Proposed	Formal Agreement
	General Certified	165 hrs. including 15 hrs. USPAP	2 yrs. within last 5 yrs.	Certified General		
Oklahoma	State Licensed	75 hrs. including 15 hrs. USPAP	None	Licensed	90 Days \$200	Formal Agreement
	State Certified Residential	105 hrs. including 15 yrs. USPAP	2 yrs.	Certified Residential		
	State Certified General	165 hrs. including 15 hrs. USPAP	2 yrs.	Certified General		
Oregon	Appraisal Assistant	None	None	None	1 assignment \$100	None
	Transitional Licensed	75 hrs. including USPAP or	2000 hrs.	Licensed		
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Pennsylvania	Assessor	90 hrs.	H.S. diploma or 2 yrs. assessing	None	60 days \$0	Formal Agreement
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Rhode Island	Temporary License	75 hrs. including USPAP	None	None	None	Endorsement
	Licensed	75 hrs. including USPAP	2 yrs. within last 5 yrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2 yrs. within last 5 yrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2 yrs within last 5 yrs.	Certified General		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
South Carolina	State Registered	None	Real Estate Sales License	None	1 assignment 6 months \$50	Formal Agreement
	Transitional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed		
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed		
	State Certified Appraiser	165 hrs. including USPAP	2000 hrs.	Certified General		
South Dakota	Transitional State Lisc. exp. 12/31/93	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment 6 months	Endorsement or Formal Agreement
	State Licensed	75 hrs. including USPAP	2000 hrs.	Licensed	\$200	
	State Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Tennessee	R.E. Appraiser	High School Diploma	None	None	1 assignment \$100	Formal Agreement
	Transitional Licensed	45 hrs. <i>and</i> 75 hrs. <i>and</i>	2000 hrs. <i>or</i> 1200 hrs.	Licensed	Multiple properties 60 days \$100	
	State Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	State Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	State Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Texas	Appraiser Trainee	None	None	None	60 days \$25	None
	Transitional License exp. 7/1/92	75 hrs. including 15 hrs. USPAP <i>or</i>	2000 hrs	Licensed		
	Licensed	75 hrs. including 15 hrs. USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including 15 hrs. USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	2000 hrs.	Certified General		
Utah	State Registered	75 hrs. including USPAP	None	None	6 months \$50	Formal Agreement
	Senior Certified	None	2 yrs.	None		
	State Certified Residential	120 hrs. including USPAP	2 yrs.	Certified Residential		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Utah—coninuted	State Certified General	165 hrs. including USPAP	2 yrs.	Certified General		
Vermont	Transitional License exp. 6/30/93	75 hrs. including USPAP <i>or</i>	2 yrs.	Licensed	1 assignment \$50	Endorsement
	Licensed	75 hrs. including USPAP	2 yrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2 yrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2 yrs.	Certified General		
Virginia	Transitional License exp. 12/31/92	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	1 assignment \$120	Endorsement
	Licensed Residential	75 hrs. including USPAP	2000 hrs.	Licensed		
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Washington	Certified Residential /75	75 hrs. including 15 hrs. USPAP	3000 hrs.	Licensed	90 days \$150	Formal Agreement
	Certified Residential /105	105 hrs. including 15 hrs. USPAP	3000 hrs.	Certified Residential		
	Certified General	165 hrs. including 15 hrs. USPAP	3000 hrs.	Certified General		
West Virginia	Transitional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs.	Licensed	6 months Residential Property \$50	Formal Agreement
	Licensed	75 hrs. including USPAP	2000 hrs.	Licensed	\$100 Commercial	
	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Wisconsin	Transitional Licensed exp. 6/1/93	75 hrs. including USPAP <i>or</i>	500 hrs.	Licensed	Establishing \$10	Formal Agreement
	Licensed	75 hrs. including USPAP	500 hrs.	Licensed		

Licensed and Certified Appraisers by State—continued

State	State Title	Education	Experience	Title XI Title	Temporary Practice	Reciprocity
Wisconsin— continued	Certified Residential	105 hrs. including USPAP	2000 hrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2000 hrs.	Certified General		
Wyoming	Appraisal Trainee	30 hrs. including USPAP	None	None	None	Endorsement or Formal Agreement
	Certified Residential	105 hrs. including USPAP	2 yrs.	Certified Residential		
	Certified General	165 hrs. including USPAP	2 yrs.	Certified General		
American Samoa						
Guam						
CNMI	Waiver Granted by ASC					
Puerto Rico	Licensed	Bachelors Degree, with 12 credits in appraisal related subjects and 15 hrs. in USPAP	2000 hrs.	Licensed		Formal Agreement
	Certified (must be licensed first)	165 hrs. including USPAP	2000 hrs.	Certified General		
Palau						
Virgin Islands	Provisional Licensed	75 hrs. including USPAP <i>or</i>	2000 hrs. within 5 yrs. of applying	Licensed	Proposed	Formal Agreement
	Provisional Certification	165 hrs. including USPAP <i>or</i>	2000 hrs. within 5 yrs. of applying	None		
	Licensed	75 hrs. including USPAP	2000 hrs. within 5 yrs. of applying	Licensed		
	Certified General	165 hrs. including USPAP	2000 hrs. within 5 yrs. of applying	Certified General		