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Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 27, 2013

The Honorable Glen Mulready, Representative
Oklahoma House of Representatives
2300 N. Lincoln Boulevard, Room 338
Oklahoma City, OK 73105

Re: Oklahoma Pending Bill SP 1060

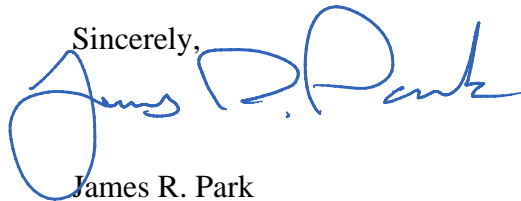
Dear Representative Mulready:

It has come to our attention that pending bill SB 1060 may, if adopted, result in the Oklahoma appraiser regulatory program (Program) failing to comply with federal law. Non-compliance with the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI), could result in the inability of Oklahoma credentialed appraisers to perform appraisals for federally related transactions (FRTs) as defined in Title XI, which includes most residential and commercial mortgage transactions. Title XI requires that real estate appraisals used in conjunction with FRTs are performed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board (ASB) of the Appraisal Foundation. Compliance with USPAP is enforced by the State appraiser regulatory agencies. Many appraisers are also required to comply with USPAP through affiliations with professional appraisal organizations.

The Appraisal Subcommittee of the Federal Financial Institutions Examination Council (ASC) was established by Title XI to monitor State appraiser regulatory programs for compliance with the provisions of Title XI. Consequently, proposed legislation with negative implications for a State program's ability to comply with Title XI are of concern. ASC staff forwarded Oklahoma's pending bill, SB 1060, to the ASB of the Appraisal Foundation for their comment. Attached you will find the ASB's reply which outlines the conflicts between proposed bill SB 1060 and USPAP.

Please do not hesitate to contact us if you have any questions.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Mr. Lee Caesar, Jr., Vice Chair, Oklahoma Real Estate Appraiser Board
Ms. Christine McEntire, Director Oklahoma Real Estate Appraiser Board