



ARIZONA BOARD OF APPRAISAL

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May 30, 2008

JUN 02 2008

Virginia M. Gibbs, Chairman
Appraisal Subcommittee
2000 K Street NW, Suite 310
Washington, DC 20006

Re: Response to April 2, 2008 Field Review Report

Dear Ms. Gibbs:

The Arizona Board of Appraisal ("Board") is in receipt of your April 2, 2008, Field Review Report ("Report") finding one concern for the Board to address.

- **Arizona statutes regarding reinstatement of the credentials for military personnel returning from active military duty did not conform to AQB criteria**

In response to the Report's recommendations, the Board has remedied this concern as follows:

1. Cease allowing individuals to reinstate a certification without meeting the AQB criteria.

To date, the Board has not received an Application for Inactive License or Certificate Status for Active Military Duty. As a result, the Board has not allowed any individuals to reinstate a certification without meeting the AQB criteria.

2. Initiate the process for amending the statutes as soon as possible to ensure that the State's law conforms with the AQB Interpretation noted above.

On January 14, 2008, Senate Bill 1006 was introduced in the Arizona legislature, which, in part, revises the Board's statutes to conform to the AQB Interpretation. Arizona Governor Janet Napolitano signed SB1006 on May 12, 2008. The Bill will become law 90 days after the legislature adjourns. The legislature has not yet adjourned this session; however, it is anticipated that it will adjourn within the next 30 days.

Virginia M. Gibbs, Chairman
Appraisal Subcommittee
May 30, 2008

3. Keep us advised about the status of the amendment as it goes through the legislative process.

The proposed legislation was provided to Kristi Klamet, ASC appraiser policy manager, who confirmed that the legislation would result in the Board's statutes conforming to the AQB Interpretation.

4. Provide a copy of the statutes as finally adopted.

Attached is a copy of SB1006 as signed by Governor Napolitano. Pages 41-44, inclusive, and page 47 of SB1006 are pertinent to the Arizona Board of Appraisal. A copy of the revised statutes will be provided to the ASC as soon as the new statutes are published.

The single concern set out in the ASC Report has been fully addressed thereby bringing the Arizona appraiser regulatory program into full compliance with Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI). Should you have any questions or if I can be of any assistance to you, please do not hesitate to contact me.

Sincerely,

Deborah G. Pearson
Executive Director

Enclosure